

agenda



Please be advised that a **Finance and Audit Committee** meeting will be held at **5.30pm** on **Monday 25 June 2018** in meeting room 1 at the Administration Building, 99 Shepperton Road, Victoria Park.

A handwritten signature in black ink, appearing to read "A Vuleta".

ANTHONY VULETA
CHIEF EXECUTIVE OFFICER

21 June 2018

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1. OPENING

2. ATTENDANCE

Members:

Banksia Ward:

Cr K (Karen) Vernon
Cr C (Claire) Anderson

Jarraah Ward:

Cr B (Brian) Oliver (Presiding Member)

Chief Financial Officer

Mr N (Nathan) Cain

Chief Operations Officer

Mr B (Ben) Killigrew

Manager Stakeholder Relations

Ms C (Carrie) Parsons

Principal Governance Advisor

Mr R (Russell) Fishwick

Secretary

Ms A (Amy) Noon

Apologies

Nil

Approved Leave of Absence

Cr J (Jennifer) Ammons Noble

3. DECLARATIONS OF INTEREST

Declarations of interest are to be made in writing prior to the commencement of the Meeting, (a form to assist Elected Members and Staff is attached at the end of this Agenda).

Declaration of Financial Interests

A declaration under this section requires that the nature of the interest must be disclosed. Consequently a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration. An employee is required to disclose their financial interest and if required to do so by the Council must disclose the extent of the interest. Employees are required to disclose their financial interests where they are required to present verbal or written reports to the Council. Employees are able to continue to provide advice to the Council in the decision making process if they have disclosed their interest.

| | |
|--------------------|--|
| Name/Position | |
| Item No/Subject | |
| Nature of Interest | |
| Extent of Interest | |

Declaration of Proximity Interest

Elected members (in accordance with Regulation 11 of the *Local Government [Rules of Conduct] Regulations 2007*) and employees (in accordance with the Code of Conduct) are to declare an interest in a matter if the matter concerns: a) a proposed change to a planning scheme affecting land that adjoins the person's land; b) a proposed change to the zoning or use of land that adjoins the person's land; or c) a proposed development (as defined in section 5.63(5)) of land that adjoins the persons' land.

Land, the proposed land adjoins a person's land if: a) the proposal land, not being a thoroughfare, has a common boundary with the person's land; b) the proposal land, or any part of it, is directly across a thoroughfare from, the person's land; or c) the proposal land is that part of a thoroughfare that has a common boundary with the person's land. A person's land is a reference to any land owned by the person or in which the person has any estate or interest.

| | |
|--------------------|--|
| Name/Position | |
| Item No/Subject | |
| Nature of Interest | |
| Extent of Interest | |

Declaration of Interest affecting impartiality

Elected Members (in accordance with Regulation 11 of the *Local Government [Rules of Conduct] Regulations 2007*) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

| | |
|--------------------|--|
| Name/Position | |
| Item No/Subject | |
| Nature of Interest | |
| Extent of Interest | |

4. TERMS OF REFERENCE

1. Name

Finance and Audit Committee

2. Purpose

The Town's Strategic Community Plan notes four components of the mission statement, namely –

- Social – To promote sustainable connected, safe and diverse places for everyone.
- Economic – To promote sustainable diverse, resilient and prosperous places for everyone.
- Environment – To promote sustainable liveable, healthy and green places for everyone.
- Civic leadership – To show leadership by communicating with, empowering and supporting people in the community.

The primary purpose of this committee shall be the civic leadership component of the Town's mission statement, which is to show leadership by communicating with, empowering and supporting people in the community.

3. Scope

The committee will primarily focus on the following key civic leadership strategic outcomes–

- Well thought out and managed projects that are delivered successfully.
- Appropriate information management that is easily accessible, accurate and reliable.
- Innovative, empowered and responsible organisational culture with the right people in the right jobs.
- Finances are managed appropriately, sustainably and transparently for the benefit of the community.
- Visionary civic leadership with sound and accountable governance that reflects objective decision making.
- Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

Wherever possible, the committee will seek opportunities to address the following additional strategic outcomes –

- Everyone receives appropriate information in the most efficient and effective way for them.
- Appropriate devolution of decision making and service provision to an empowered community.
- People have positive exchanges with the Town that inspires confidence in the information and the timely service provided.
- A community that is authentically engaged and informed in a timely manner.

4. Deliverables

The committee will –

- Provide strategic leadership in the development and regular review of policies and strategies that are inclusive, empowering and build capacity of the Town of Victoria Park community.

- Provide guidance and assistance to Council as to the carrying out its functions in relation to audits in compliance with the *Local Government Act 1995*.
- Ensure Council maintains its financial capacity to deliver programs and services.
- Provide advice to Council in relation to matters related to the scope of the committee.

Specifically the committee will ensure delivery of the following –

- Annual review of policies, strategies and plans related to the scope of the committee.
- Annual compliance audit.
- Annual risk management audit.

5. Reporting

Although any service area of the Town may report through this committee on matters associated with the primary purpose and scope, the following service areas of council are likely to predominantly feature –

- Customer Relations
- Financial Services
- Human Resources
- Information Systems
- Leadership and Governance
- Project Management

6. Governance

The committee is a Council-created committee formed under Subdivision 2 (Committees and their meetings) of the *Local Government Act 1995* and is governed by the provisions of the *Town of Victoria Park Standing Orders Local Law 2011* and the *Local Government Act 1995* and its regulations.

The committee will comprise a maximum of four (4) Elected Members (being two (2) Elected Member representatives from each of the Town's two (2) wards with five (5) Elected Members being appointed in a hierarchical order as alternate deputy members) and up to two (2) other persons (that may be co-opted from time-to-time for such period, or in relation to such matters, as determined, where that person's experience, skills or qualifications would enable him or her to make a contribution to the committee's functions).

In accordance with section 5.19 of the *Local Government Act 1995*, the quorum for a meeting of the committee is at least 50% of the number of offices (whether vacant or not) of members of the committee.

7. Meeting arrangements

The committee shall convene in accordance with the annual adopted meeting schedule.

8. Authority

The committee has no delegated power. The committee may only make recommendations to Council for a decision.

9. Review

The committee and committee terms of reference will be reviewed from time-to-time and immediately following each local government election.

5. CONFIRMATION OF MINUTES

That the minutes of the Special Finance and Audit Committee meeting, held on 24 May 2018, be confirmed.

That the minutes of the Finance and Audit Committee meeting, held on 28 May 2018, be confirmed.

6. METHOD OF DEALING WITH AGENDA BUSINESS

RECOMMENDATION:

That clause *6.10 Speaking Twice of the Town of Victoria Park Standing Orders Local Law 2011* be suspended for the duration of this meeting.

NOTE: The above recommendation if adopted will enable members to speak more than once and assist in open discussion for the entire meeting.

NOTE: Mover and seconder required and the matter put to the vote.

7. PRESENTATIONS

7.1 Deputations

Nil.

8. REPORTS

8.1 Schedule of accounts for 31 May 2018

| | |
|------------------------|----------------|
| File Reference: | FIN/11/0001~09 |
| Appendices: | Yes |
| Attachments: | No |

| | |
|-----------------------------|-----------------|
| Date: | 11 May 2018 |
| Reporting Officer: | A. Thampoe |
| Responsible Officer: | N. Cain |
| Voting Requirement: | Simple majority |

Executive Summary:

Recommendation - That the Finance and Audit Committee recommends that Council, acknowledges the Schedule of Accounts paid for the month ended 31 May 2018.

- The accounts paid for 31 May 2018 as included in the appendices.
- Direct lodgement of payroll payments to the personal bank accounts of employees are also included.

TABLED ITEMS:

Nil

BACKGROUND:

Council has delegated to the Chief Executive Officer the authority to make payments from the Municipal and Trust funds in accordance with the *Local Government (Financial Management) Regulations 1996*.

Under Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*, where a local government has delegated to the Chief Executive Officer the exercise of its power to make payments from the Municipal fund or the Trust fund, each payment from the Municipal fund or the Trust fund is to be noted on a list compiled for each month showing:

- a) The payee's name;
- b) The amount of the payment;
- c) The date of the payment; and
- d) Sufficient information to identify the transaction.

That list should then be presented at the next Ordinary Meeting of the Council following the preparation of the list, and recorded in the minutes of the meeting at which it is presented.

DETAILS:

The list of accounts paid in accordance with *Regulation 13(1) of the Local Government (Financial Management) Regulations 1996* is contained within the Appendices, and is summarised as thus -

| Fund | Reference | Amounts |
|--------------------------|------------------|------------------|
| Municipal Account | | |
| Automatic Cheques Drawn | 608351 - 608371 | 32,474 |
| Creditors – EFT Payments | | 5,528,287 |
| Payroll | | 1,029,386 |
| Bank Fees | | 5,125 |
| Corporate MasterCard | | 11,402 |
| | | 6,606,674 |
| Trust Account | | |
| Automatic Cheques Drawn | 3567 - 3580 | 48,882 |
| | | 48,882 |

Legal Compliance:

Section 6.10 (d) of the Local Government Act 1995 refers, ie. -

6.10. Financial management regulations

Regulations may provide for —

- (d) the general management of, and the authorisation of payments out of —*
- (i) the municipal fund; and*
 - (ii) the trust fund,*
- of a local government.*

Regulation 13(1), (3) & (4) of the Local Government (Financial Management) Regulations 1996 refers, ie. -

13. Lists of Accounts

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —*
- (a) the payee's name;*
 - (b) the amount of the payment;*
 - (c) the date of the payment; and*
 - (d) sufficient information to identify the transaction.*
- (3) A list prepared under subregulation (1) is to be —*
- (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and*
 - (b) recorded in the minutes of that meeting.*

Policy Implications:

Nil

Risk Management Considerations:

Three risks have been identified as outlined.

| Risk & Consequence | Consequence + Rating | Likelihood = Rating | Overall Risk Analysis | Mitigation/Actions |
|---|-----------------------------|----------------------------|------------------------------|--|
| Compliance: Council not accepting Schedule of Accounts | Moderate | Unlikely | Moderate | Provide reasoning and detailed explanations to Council to enable informed decision making. |
| Financial Impact: Misstatement or significant error in Schedule of Accounts | Major | Unlikely | Moderate | Daily and monthly reconciliations. Internal and external audits. |
| Financial Impact: Fraud and illegal acts | Catastrophic | Rare | Moderate | Stringent internal controls. Internal audits. Segregation of duties |

Strategic Plan Implications:

CL6 – Finances are managed appropriately, sustainably and transparently for the benefit of the community.

CL 10 – Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

Financial Implications:

Internal Budget:

Nil

Total Asset Management:

Nil

Sustainability Assessment:

External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

COMMENT:

All accounts paid have been duly incurred and authorised for payment as per approved purchasing and payment procedures and it is therefore recommended that the Committee recommend to the Council to accept and confirm the payments, as included in the appendices.

In anticipation that the Committee will ask questions about the schedule of accounts, please note that these questions and answers will be included in the appropriate Elected Members Briefing Session agenda and Ordinary Council Meeting agenda.

RECOMMENDATION/S:

The Finance and Audit Committee recommends to Council that pursuant to Regulation 13 of the *Local Government (Financial Management) Regulations 1996 (as amended)*, Council confirm:

- 1. The accounts paid for 31 May 2018 as included in the appendices; and**
- 2. Direct lodgement of payroll payments to the personal bank accounts of employees.**

8.2 Financial statements for the month ending 31 May 2018

| | |
|------------------------|----------------|
| File Reference: | FIN/11/0001~09 |
| Appendices: | No |
| Attachments: | Yes |

| | |
|-----------------------------|-------------------|
| Date: | 19 June 2019 |
| Reporting Officer: | A. Thampoe |
| Responsible Officer: | N. Cain |
| Voting Requirement: | Absolute Majority |

Executive Summary:

Recommendation - That the Finance and Audit Committee recommends that Council, accepts the Financial Activity Statement Report – 31 May 2018 as attached to and forming part of this report.

- The Financial Activity Statement Report is presented for the month ending 31 May 2018. The report complies with the requirements of Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996*.

TABLED ITEMS:

Nil

BACKGROUND:

Each month officers are required to prepare monthly financial reports, covering prescribed information, and present these to Council for acceptance.

DETAILS:

Presented is the Financial Activity Statement Report – 31 May 2018.

Revenue

Operating Revenue and Non-Operating Revenue – Material variances are identified where, for the period being reported, the actual varies to the budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment has been provided.

Expense

Operating Expense, Capital Expense and Non-Operating Expense – Material variances are identified where, for the period being reported, the actual varies to the budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment has been provided.

For the purposes of explaining each material variance, a three-part approach has been applied. The parts are –

1. Period Variation
Relates specifically to the value of the variance between the Budget and Actual figures for the period of the Report.

2. Primary Reason(s)
Explains the primary reason(s) for the period variance. Minor contributing factors are not reported.
3. End-of-Year Budget Impact
Forecasts the likely financial impact on the end-of-year financial position. It is important to note that figures in this part are 'indicative only' at the time of reporting, for circumstances may subsequently change prior to the end of the financial year.

Legal Compliance:

Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996* states –

- (1) *A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —*
 - (a) *annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
 - (b) *budget estimates to the end of the month to which the statement relates;*
 - (c) *actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
 - (d) *material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
 - (e) *the net current assets at the end of the month to which the statement relates.*
- (2) *Each statement of financial activity is to be accompanied by documents containing —*
 - (a) *an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
 - (b) *an explanation of each of the material variances referred to in subregulation (1)(d); and*
 - (c) *such other supporting information as is considered relevant by the local government.*
- (3) *The information in a statement of financial activity may be shown —*
 - (a) *according to nature and type classification; or*
 - (b) *by program; or*
 - (c) *by business unit.*
- (4) *A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —*
 - (a) *presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and*
 - (b) *recorded in the minutes of the meeting at which it is presented.*
- (5) *Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.*

Section 6.8 of the *Local Government Act 1995* (Expenditure from municipal fund not included in annual budget) states –

(1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*

(a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*

(b) *is authorised in advance by resolution*; or*

(c) *is authorised in advance by the Mayor or president in an emergency.*

** Absolute majority required.*

(1a) *In subsection (1) —*

additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.

(2) *Where expenditure has been incurred by a local government —*

(a) *pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and*

(b) *pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.*

Policy Implications:

Nil

Risk Management Considerations:

| Risk & Consequence | Consequence + Rating | Likelihood = Rating | Overall Risk Analysis | Mitigation/Actions |
|--|-----------------------------|----------------------------|------------------------------|--|
| Financial Impact: Council not accepting budget amendment recommendation | Moderate | Unlikely | Moderate | Provide reasoning and detailed explanations to Council to enable informed decision making. |
| Compliance: Financial statement not complying with the requirements of the <i>Local Government (Financial Management) Regulations 1996</i> | Moderate | Unlikely | Moderate | Internal review of monthly Financial activity statement. External audits of monthly financial statements. |

| | | | | |
|---|--------------|----------|----------|--|
| Financial impact: Misstatement or significant error in financial statements | Major | Unlikely | Moderate | Daily and monthly reconciliations. Internal and external audits. |
| Financial Impact: Fraud and illegal acts | Catastrophic | Rare | Moderate | Stringent internal controls. Internal audits. Segregation of duties. |

Strategic Plan Implications:

CL6 – Finances are managed appropriately, sustainably and transparently for the benefit of the community.

CL 10 – Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

Financial Implications:Internal Budget:

The Statement of Financial Activity, as contained in the body of the Financial Activity Statement Report, refers and explains.

Total Asset Management:

Nil

Sustainability Assessment:External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

COMMENT:

It is recommended that the Financial Activity Statement Report – 31 May 2018 be accepted.

CONCLUSION:

The Financial Activity Statement Report – 31 May, complies with the requirements of Regulation 34 (Financial activity statement report) of the *Local Government (Financial Management) Regulations 1996*. It is therefore recommended that the Financial Activity Statement Report – 31 May be accepted.

RECOMMENDATION/S:

The Finance and Audit Committee recommends to Council that pursuant to Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, accepts the Financial Activity Statement Report – 31 May 2018 as attached to, and forming part of, this report.



Financial Activity Statement Report

For the month ended 31 May 2018



Contents

Statement of Financial Activity Variances

Proposed Budget Amendments

Accounting Notes

Business Unit Definitions

Statement of Financial Activity

Net Current Funding Position

Cash and Cash Investments

Receivables (Rates and Sundry Debtors)

Grants and Contributions

Reserve Funds

Capital Items

Statement of Financial Activity Variances

Material Variances Defined

For the purposes of reporting the material variances in the Statement of Financial Activity (by Business Unit) (as contained in this document), the following indicators, as resolved, have been applied –

Revenues (Operating and Non-Operating)

Business Unit material variances will be identified where, for the period being reviewed, the actual varies to budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment will be provided.

Expenses (Operating, Capital and Non-Operating)

Business Unit material variances will be identified where, for the period being reviewed, the actual varies to budget by an amount of (+) or (-) \$25,000 and, in these instances, an explanatory comment will be provided.

Before commenting on each of the specific material variances identified it is important to note that, whilst many accounts will influence the overall variance, only those accounts within the affected Business Unit that significantly contribute to the variance will be highlighted.

For the purposes of explaining each variance, a multi-part approach has been taken. The parts are –

1. Period Variation – Relates specifically to the value of the variance between the Budget and Actual figures for the period being reviewed.
2. Primary Reason – Explains the primary reasons for the period variance. As the review is aimed at a higher level analysis, only major contributing factors are reported.
3. Budget Impact – Forecasts the likely \$ impact on the year end surplus or deficit position. It is important to note that values in this part are indicative only at the time of reporting, for circumstances may subsequently change.

Material Variances Explained

The Financial statements are presented based on the new organisational structure

As shown in the in the Statement of Financial Activity (contained within this document), the following variances have been identified -

Revenue

Chief Executive Officer

No material variance to report

Community Planning

- **Environmental Health**

- The period variation is favourable to period budget by \$27,712.
- The variation predominantly relates to higher than anticipated income received from Noise approval monitoring fees and Food business fees.
- The impact on the year end position is estimated to be an increase in revenue of \$15,000.

- **Urban Planning**

- The period variation is favourable to period budget by \$35,518.
- The variation predominantly relates to higher than anticipated income received from development application fees and Subdivision fees.
- The impact on the year end position is estimated to be an increase in revenue of \$20,000.

Operations

- **Asset Planning**

- The period variation is unfavourable to period budget by \$35,421.
- The variation predominantly relates to lower than budgeted lease income due to some properties being vacant.
- The impact on the year end position is estimated to be a decrease in revenue of \$30,000.

- **Street Operations**

- The period variation is favourable to period budget by \$34,495.
- The variation predominantly relates to the final grant claim for two capital projects which were greater than budgeted for. The grants relate to Bishopsgate Street and Roberts Road Upgrade and Oat Street and Star Street upgrade. The positive variance is reduced by budget timing variances related to Hill View Terrace and Oat Street upgrade and Roberts Road and Orrong Road Intersection upgrade projects. These projects are staged over two financial years and therefore the associated grants for the second stage of the project will only be received next financial year.
- The impact on the year end position is estimated to be an increase in revenue of \$75,000.

Operating Expense

Chief Executive Office

- **Chief Executive Office**

- The period variation is favourable to period budget by \$50,138.
- The variation predominantly relates to underspend on "Think, Act, Plan, Participate (TAPP)" projects where there has been a change in project ownership due to staff resources. These projects have been reallocated to staff who will carry forward the projects to be completed next financial year.

- The impact on the year end position is estimated to be a reduction in expenditure of \$30,000.
- **Communication and Engagement**
 - The period variation is favourable to period budget by \$56,228.
 - The variation predominantly relates to vacancies within the area.
 - The impact on the year end position is estimated to be a reduction in expenditure of \$50,000.
- **Human Resources**
 - The period variation is favourable to period budget by \$68,967.
 - The variation predominantly relates to lower than budgeted expenditure within the programs area.
 - The impact on the year end position is estimated to be a reduction in expenditure of \$50,000.

Community Planning

- **Digital Hub**
 - The period variation is favourable to period budget by \$35,952.
 - The variation predominantly relates to vacancies within the area.
 - The impact on the year end position is estimated to be a reduction in expenditure of \$40,000.
- **Economic Development**
 - The period variation is favourable to period budget by \$68,093.
 - The variation predominantly relates to vacancies within the area.
 - The impact on the year end position is estimated to be a reduction in expenditure of \$60,000.
- **Place Management**
 - The period variation is favourable to period budget by \$61,834.
 - The variation predominantly relates to vacancies within the area.
 - The impact on the year end position is estimated to be a reduction in expenditure of \$70,000.

Finance

- **Information Systems**
 - The period variation is favourable to period budget by \$221,796.
 - The variation is due to delays in project initiatives that could not be resourced within the budgeted timeframe.
 - The impact on the year end position is estimated to be a reduction in expenditure of \$180,000.

- **Leisurelife**

- The period variation is favourable to period budget by \$66,058.
- The variation predominantly relates to vacancies and rostering changes within the area.
- The impact on the year end position is estimated to be a reduction in expenditure of \$60,000.

- **Parking**

- The period variation is favourable to period budget by \$76,978.
- The variation predominantly relates to vacancies within the area and lower than anticipated consultancy cost to perform a review of paid parking to meet the objectives of the Corporate Business Plan.
- The impact on the year end position is estimated to be a reduction in expenditure of \$50,000.

Operations

- **Asset Planning**

- The period variation is favourable to period budget by \$362,567.
- The variation predominantly relates to savings made in maintenance works and costs savings made renewing furniture and equipment for Aqualife and Leisurelife. The variance also includes a \$190,000 budget timing variance relating to the Lathlain Precinct Redevelopment Project. This project is currently underway and is expected to continue through to the following financial year.
- The impact on the year end position is estimated to be a reduction in expenditure of \$200,000.

- **Street Improvement**

- The period variation is favourable to period budget by \$104,546.
- The variation is predominantly due to lower than anticipated expenditure relating issues associated with drainage / sumps and their investigations which have been minimum this financial year, thus budget being underspent. Vacancies within the area has also created a favourable variance to budget.
- The impact on the year end position is estimated to be a reduction in expenditure of \$60,000.

- **Street Operations**

- The period variation is favourable to period budget by \$348,600.
- The variation predominantly relates to lower than anticipated costs relating to footpath and drainage maintenance. There is also a budget timing variance relating to invoices that are yet to be received and paid.
- The impact on the year end position is estimated to be a reduction in expenditure of \$120,000.

Capital Expense

Chief Executive Office

No material variance to report.

Community Planning

No material variance to report.

Finance

No material variance to report.

Operations

- **Asset Planning**

- The period variation is favourable to period budget by \$1,459,199.
- The variation predominantly relates to delays in capital projects. Four major capital projects are currently progressing through the tender process. Works will commence towards the end of the financial year.
- The impact on the year end position is estimated to be a reduction in expenditure of \$900,000. Funds that are not spent will be carried forward to the next financial year.

- **Parks**

- The period variation is favourable to period budget by \$2,032,612.
- The variation relates to delays and budget timing of major capital projects. The most significant project being the new Lathlain Park with a total budget of \$1,500,000. This project will be carried forward to the next financial year. McCallum Park foreshore river wall project funds will be carried forward to secure an opportunity for additional external funding towards the park upgrade. Stage 1 of GO Edwards park redevelopment is complete and awaiting final invoices from supplier.
- The impact on the year end position is estimated to be a reduction in expenditure of \$1,500,000. Funds that are not spent will be carried forward to the next financial year.

- **Street Operations**

- The period variation is favourable to period budget by \$817,684.
- The variation relates to delays and budget timing of capital projects. Physical works for some projects have been completed, with invoices yet to be received. Upgrade to Hill View Terrace and Oats Street Intersection project and the Roberts Road and Orrong Road intersection project will be carried forward to the next financial year as they are staged over two years.
- The impact on the year end position is estimated to be a reduction in expenditure of \$600,000. Funds that are not spent will be carried forward to the next financial year.

Non-Operating Revenue

No material variance to report

Non-Operating Expenses

No material variance to report

Proposed Budget Amendments

No budget amendments to report

Accounting Notes**Significant Accounting Policies**

The significant accounting policies that have been adopted in the preparation of this document are:

(a) Basis of Preparation

The document has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The document has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this document.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

(c) 2017- 2018 Actual Balances

Balances shown in this document as 2017 - 2018 Actual are subject to final adjustments.

(d) Rounding Off Figures

All figures shown in this document, other than a rate in the dollar, are rounded to the nearest dollar.

(e) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(f) Superannuation

The Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

(g) Goods and Services Tax

Revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the statement of financial position are stated inclusive of applicable GST. The net amount of GST recoverable from, or payable to, the ATO is included with receivables on payables in the statement of financial position. Cash flows are presented on a Gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown as short term borrowings in current liabilities.

(i) Trade and Other Receivables

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(j) InventoriesGeneral

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Revenue arising from the sale of property is recognised as at the time of signing an unconditional contract of sale. Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(k) Fixed Assets

Each class of fixed asset is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost, or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the period in which they are incurred.

Revaluation

Certain asset classes may be re-valued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes, where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Those assets carried at a re-valued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be re-valued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Land Under Roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government. Council has elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16 (a) (i) prohibits local governments from recognising such land as an asset. In respect of land under roads acquired on or after 1 August 2008, as detailed above, Local Government (Financial Management) Regulation 16 (a) (i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4 (2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail. Consequently, any land under roads acquired on or after 1 September 2008 is not included as an asset of the Council.

Depreciation of Non-Current Assets

All non-current assets having a limited useful life (excluding freehold land) are systematically depreciated over their useful lives in a manner that reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use. Depreciation is recognised on a straight-line basis, using rates that are reviewed each reporting period. Major depreciation periods are:

| | | |
|-------------------------|--------------------------------------|-----------------|
| Buildings | | 40 years |
| Furniture and Equipment | | 5 – 10 years |
| Plant and Machinery | | 2 – 10 years |
| Sealed Roads | - Clearing and Earthworks | Not depreciated |
| | - Construction and Road Base | 5 – 80 years |
| | - Original Surface / Major Resurface | 5 – 80 years |
| Drainage | | 5 – 80 years |
| Pathways | | 5 – 80 years |
| Parks and Reserves | | 5 – 80 years |

Asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Capitalisation Threshold

Expenditure on capital items under \$2,000 is not individually capitalised. Rather, it is recorded on an Asset Low Value Pool listing.

(I) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- a. the amount in which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- d. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current. They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain, or loss, pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as non-current.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Any cumulative decline in fair value is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(m) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired. Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116). For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated

replacement cost of the asset. At the time of adopting the Annual Budget, it was not possible to estimate the amount of impairment losses (if any) as at 30 June 2018. In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Annual Budget.

(n) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Employee Benefits

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(p) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(q) Provisions

Provisions are recognised when:

- a. The Council has a present legal or constructive obligation as a result of past events;
- b. for which it is probable that an outflow of economic benefits will result; and
- c. that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(r) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next

12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on the Council's intentions to release for sale.

(s) Comparative Figures

Where required, comparative figures have been adjusted to conform to changes in presentation for the current reporting period.

(t) Budget Comparative Figures

Unless otherwise stated, the Budget comparative figures shown in this Budget document relate to the original Budget estimate for the relevant item of disclosure.

Service Unit Definitions

The Town operations, as disclosed in this report, encompass the following service-oriented Business Units –

Chief Executive Office

Chief Executive Office

The Chief Executive Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Chief Executive Office functional area.

Communications and Engagement

Communications and Engagement manages the brand and reputation of the Town. This is achieved through developing clear and accessible messaging, consulting with the community, delivering key messages through various channels and working to reach the appropriate audiences through strategically executed marketing, engagement and communication planning..

Customer Relations

Customer Relations manages the Customer Service Contact Centre, which is the first point of contact for the organisation, and monitors performance against the Town's Customer Service Charter.

Leadership and Governance

The Leadership and Governance Service Area is committed to responsibly managing the Town on behalf of the residents and ratepayers of the District through collaboration, knowledge-sharing and good governance.

Human Resources

Human Resources is responsible for the development and implementation of occupational health and safety compliance, staff development, employee relations, recruitment and payroll services of the Town.

Community Planning

Building Services

Building Services provide services to ensure buildings are safe, liveable, accessible and sustainable, and meet statutory requirements.

Community Development

The Community Development team's vision is an empowered Victoria Park, which will be achieved through the mission of community capacity building.

Community Planning Office

The Community Planning Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Community Planning functional area.

Digital Hub

The Digital Hub provides free digital literacy and online training for the local community, not-for-profit organisations and local business operators.

Economic Development

Economic Development seeks to increase the economic growth of the district through fostering business attraction and retention, tourism, marketing, community initiatives and creating robust relationships.

Environmental Health

Environmental Health seeks to promote good standards of public health via the many hospitality outlets in the area and the community in general.

General Compliance

The General Compliance Area liaise with and direct property owners and developers to ensure built-form building and planning requirements are adhered to at all times.

Healthy Community

The Healthy Community team connect people to services, resources, information, facilities, and experiences that enhance their physical and social health and wellbeing.

Library Services

Library Services plays a pivotal role in providing our community with access to resources, knowledge and technology in a safe, nurturing environment.

Place Management

The Place Management Service Area implements programs, that are suitable for the particular targeted section of the community, to improve places within the District or, where the community is satisfied with the standard of operation, to maintain the already attained standard.

Strategic Town Planning

Strategic Town Planning develops strategies for the future growth of the Town, with the aims of creating a vibrant community and improving the quality of life for residents.

Urban Planning

Urban Planning assesses applications for development approval and subdivision, provides advice to the community and ensures land is appropriately used and developed.

Finance

Aqualife

The Aqualife Centre aims to improve community health and wellbeing; and to provide a safe and welcoming environment for the community to meet and socialise, primarily through aquatic recreation.

Budgeting

The Budgeting Area includes the administration of non-cash expenditure and revenue associated with local government accounting requirements, including profit and loss and depreciation.

Corporate Funds

The Corporate Funds are includes the management of loans, reserve fund transfers, restricted and trust funds, rate revenue and corporate grants funding.

Finance Office

The Finance Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Finance functional area.

Financial Services

The key role of Financial Services is to manage and control the Town's finances in a sound and prudent manner.

Information Systems

Information Systems assists the Town in operating efficiently with the smooth running of essential business computer programs and systems.

Leisurelife

The Leisurelife Centre aims to improve community health and wellbeing, and to provide a safe and welcoming environment for the community to meet and socialise, primarily through active recreation.

Parking

The Parking Management section guides future parking initiatives within the Town, ensuring equitable access for everyone, whilst also monitoring existing parking areas and ensuring a safer community.

Rangers

Ranger Services offer a 24 hours-a-day / 7 days-a-week service to help ensure community safety in the areas of Dog and Cat management and Local Law enforcement.

Operations

Asset Planning

Asset Planning provides services to manage and maintain Council facilities and their related assets.

Environment

The Environment Area is committed to preserving and enhancing natural areas and recognises not only the ecological benefits of protecting natural assets, but also the social and recreational benefits as well.

Fleet Services

Fleet Services oversees the various items of light fleet, heavy fleet and plant and equipment.

Operations Office

The Operations Office leads and supports the transformation of the organisation into a customer-focused, culturally constructive, legislatively compliant, sector-leading entity, with a primary focus on the Service Areas within the Operations functional area.

Parks and Reserves

The Parks and Reserves Section delivers high quality horticultural works to parks, reserves and streetscapes.

Project Management

Project Management assists in improving the standards of project management and project delivery, and delivers nominated projects on behalf of the Town.

Street Improvement

Street Improvement provides engineering advice, design, planning, and road safety initiatives.

Street Operations

Street Operations ensure the maintenance and renewal of roads, pathways, drainage and associated assets.

Waste

Waste Management implements waste collection, minimisation and disposal in a sustainable manner.



Statement of Financial Activity
For the period 1 July 2017 to 31 May 2018

| Particulars | Material Variance | | 31 May 2018 | | |
|-------------------------------|-------------------|---------|----------------------|---------------------------|---------------------------|
| | \$ | % | Revised Budget \$ | Year-to-Date Budget \$ | Year-to-Date Actual \$ |
| Revenue | | | | | |
| Chief Executive Office | | | 5,500 | 3,710 | 11,732 |
| Chief Executive Office | | | 500 | 0 | 1,641 |
| Communications and Engage | | | 1,000 | 880 | 5,820 |
| Customer Relations | | | 0 | 0 | 0 |
| Human Resources | | | 3,000 | 2,830 | 2,744 |
| Leadership and Governance | | | 1,000 | 0 | 1,527 |
| Community Planning | | | 1,460,500 | 1,293,680 | 1,372,794 |
| Building Services | | | 333,000 | 320,990 | 313,329 |
| Community Development | | | 405,000 | 317,360 | 332,798 |
| Community Planning Office | | | 1,000 | 440 | 1,837 |
| Digital Hub | | | 1,500 | 1,050 | 479 |
| Economic Development | | | 0 | 0 | 0 |
| Environmental Health | 27,712 | ▲ 10.6% | 286,000 | 262,430 | 290,142 |
| General Compliance | | | 0 | 0 | 7,292 |
| Healthy Community | | | 30,500 | 27,380 | 26,147 |
| Library Services | | | 33,500 | 30,580 | 32,157 |
| Place Management | | | 0 | 0 | 0 |
| Strategic Town Planning | | | 500 | 500 | 146 |
| Urban Planning | 35,518 | ▲ 10.7% | 369,500 | 332,950 | 368,468 |
| Finance | | | 54,177,326 | 53,098,958 | 53,179,263 |
| Aqualife | | | 2,300,000 | 2,055,840 | 2,045,042 |
| Budgeting | | | 4,000 | 1,100 | 22,941 |
| Corporate Funds | | | 46,045,826 | 45,599,860 | 45,615,598 |
| Finance Office | | | 1,000 | 880 | 1,320 |
| Financial Services | | | 747,500 | 746,040 | 764,749 |
| Information Systems | | | 13,000 | 11,880 | 1,792 |
| Leisurelife | | | 2,209,500 | 2,052,868 | 2,065,728 |
| Parking | | | 2,735,500 | 2,525,100 | 2,532,524 |
| Ranger services | | | 121,000 | 105,390 | 129,569 |
| Operations | | | 7,010,000 | 6,169,145 | 6,215,287 |
| Asset Planning | 35,421 | ▼ 15.2% | 258,500 | 232,480 | 197,059 |
| Environment | | | 0 | 0 | 9,930 |
| Fleet Services | | | 10,000 | 0 | 21,164 |
| Operations Office | | | 2,802,500 | 2,791,180 | 2,774,816 |
| Parks and Reserves | | | 257,000 | 53,170 | 41,341 |
| Project Management | | | 850,000 | 850,000 | 858,493 |
| Street Improvement | | | 47,500 | 23,826 | 46,696 |
| Street Operations | 34,495 | ▲ 2.4% | 1,978,000 | 1,450,139 | 1,484,634 |
| Waste Services | | | 806,500 | 768,350 | 781,154 |
| Total Revenue | | | 62,653,326 | 60,565,493 | 60,779,075 |



Statement of Financial Activity
For the period 1 July 2017 to 31 May 2018

| Particulars | Material Variance | | 31 May 2018 | | |
|--------------------------------|-------------------|---|---------------------|------------------------|------------------------|
| | \$ | % | Revised Budget \$ | Year-to-Date Budget \$ | Year-to-Date Actual \$ |
| Operating Expense | | | | | |
| Chief Executive Office | | | (4,405,000) | (3,775,347) | (3,597,960) |
| Chief Executive Office | 50,138 | ▼ | 5% | (1,063,500) | (964,462) |
| Communications and Engage | 56,228 | ▼ | 8% | (769,500) | (682,505) |
| Customer Relations | | | | (821,000) | (695,105) |
| Human Resources | 68,967 | ▼ | 8% | (1,107,000) | (812,643) |
| Leadership and Governance | | | | (644,000) | (620,632) |
| Community Planning | | | (8,504,000) | (7,004,456) | (6,793,356) |
| Building Services | | | | (531,500) | (469,811) |
| Community Development | | | | (2,065,000) | (1,682,875) |
| Community Planning Office | | | | (1,368,000) | (1,023,665) |
| Digital Hub | 35,952 | ▼ | 23% | (170,500) | (156,783) |
| Economic Development | 68,093 | ▼ | 37% | (193,000) | (183,298) |
| Environmental Health | | | | (648,500) | (586,048) |
| General Compliance | | | | (158,500) | (153,500) |
| Healthy Community | | | | (238,500) | (224,749) |
| Library Services | | | | (1,179,000) | (1,088,759) |
| Place Management | 61,834 | ▼ | 77% | (154,000) | (80,000) |
| Strategic Town Planning | | | | (761,500) | (464,471) |
| Urban Planning | | | | (1,036,000) | (890,497) |
| Finance | | | (21,134,000) | (20,432,512) | (20,038,740) |
| Aqualife | | | | (2,824,500) | (2,495,544) |
| Budgeting | | | | (7,461,000) | (8,692,452) |
| Corporate Funds | | | | (530,500) | (411,112) |
| Finance Office | | | | (719,500) | (654,118) |
| Financial Services | | | | (1,128,000) | (940,411) |
| Information Systems | 221,136 | ▼ | 10% | (2,819,000) | (2,218,461) |
| Leisurelife | 66,058 | ▼ | 3% | (2,758,500) | (2,396,491) |
| Parking | 76,978 | ▼ | 4% | (2,050,000) | (1,887,647) |
| Ranger services | | | | (843,000) | (736,276) |
| Operations | | | (22,880,000) | (20,484,525) | (19,684,783) |
| Asset Planning | 362,567 | ▼ | 11% | (3,766,000) | (3,200,168) |
| Environment | | | | (108,500) | (92,000) |
| Fleet Services | | | | 0 | (8,589) |
| Operations Office | | | | (3,583,000) | (3,487,145) |
| Parks and Reserves | | | | (4,427,000) | (3,947,462) |
| Project Management | | | | (1,014,500) | (757,033) |
| Street Improvement | 104,546 | ▼ | 10% | (1,298,500) | (1,067,671) |
| Street Operations | 348,600 | ▼ | 14% | (2,629,500) | (2,549,549) |
| Waste Services | | | | (6,053,000) | (5,374,908) |
| Total Operating Expense | | | | (56,923,000) | (51,696,840) |



Statement of Financial Activity
For the period 1 July 2017 to 31 May 2018

| Particulars | Material Variance | | 31 May 2018 | | | |
|-------------------------------|-------------------|---|----------------------|---------------------------|---------------------------|--------------------|
| | \$ | % | Revised Budget \$ | Year-to-Date Budget \$ | Year-to-Date Actual \$ | |
| Capital Expense | | | | | | |
| Chief Executive Office | | | 0 | 0 | 0 | |
| Chief Executive Office | | | 0 | 0 | 0 | |
| Communications and Engage | | | 0 | 0 | 0 | |
| Customer Relations | | | 0 | 0 | 0 | |
| Human Resources | | | 0 | 0 | 0 | |
| Leadership and Governance | | | 0 | 0 | 0 | |
| Community Planning | | | (20,000) | (20,000) | (16,020) | |
| Building Services | | | 0 | 0 | 0 | |
| Community Development | | | (20,000) | (20,000) | (16,020) | |
| Community Planning Office | | | 0 | 0 | 0 | |
| Digital Hub | | | 0 | 0 | 0 | |
| Economic Development | | | 0 | 0 | 0 | |
| Environmental Health | | | 0 | 0 | 0 | |
| General Compliance | | | 0 | 0 | 0 | |
| Healthy Community | | | 0 | 0 | 0 | |
| Library Services | | | 0 | 0 | 0 | |
| Place Management | | | 0 | 0 | 0 | |
| Strategic Town Planning | | | 0 | 0 | 0 | |
| Urban Planning | | | 0 | 0 | 0 | |
| Finance | | | (1,335,000) | (414,300) | (428,926) | |
| Aqualife | | | (23,000) | (23,000) | (8,091) | |
| Budgeting | | | 0 | 0 | 0 | |
| Corporate Funds | | | 0 | 0 | 0 | |
| Finance Office | | | 0 | 0 | 0 | |
| Financial Services | | | 0 | 0 | 0 | |
| Information Systems | | | (945,000) | (282,300) | (292,135) | |
| Leisurelife | | | 0 | 0 | 0 | |
| Parking | | | (367,000) | (109,000) | (128,700) | |
| Ranger services | | | 0 | 0 | 0 | |
| Operations | | | (14,526,700) | (11,649,286) | (7,302,601) | |
| Asset Planning | 1,459,199 | ▼ | 42% | (3,687,500) | (3,454,350) | (1,995,151) |
| Environment | | | | 0 | 0 | 0 |
| Fleet Services | | | | (1,019,200) | (743,500) | (729,829) |
| Operations Office | | | | 0 | 0 | 0 |
| Parks and Reserves | 2,032,612 | ▼ | 72% | (3,786,000) | (2,814,400) | (781,788) |
| Project Management | | | | (74,000) | (26,500) | (2,982) |
| Street Improvement | | | | 0 | 0 | 0 |
| Street Operations | 817,684 | ▼ | 18% | (5,949,000) | (4,610,536) | (3,792,852) |
| Waste Services | | | | (11,000) | 0 | 0 |
| Total Capital Expense | | | | (15,881,700) | (12,083,586) | (7,747,547) |



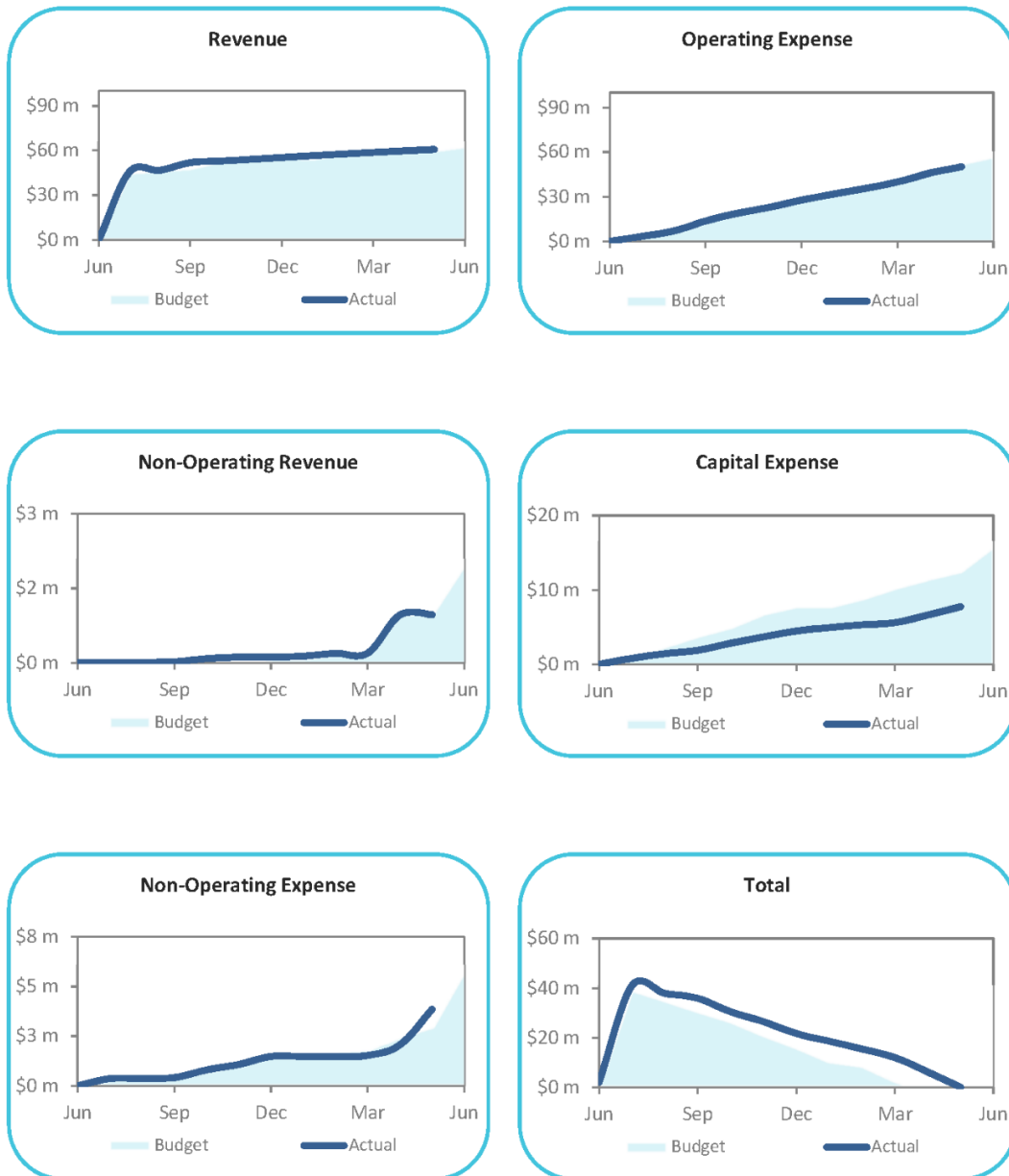
Statement of Financial Activity
For the period 1 July 2017 to 31 May 2018

| Particulars | Material Variance | 31 May 2018 | | |
|---|-------------------|--------------------|---------------------|---------------------|
| | | Revised Budget | Year-to-Date Budget | Year-to-Date Actual |
| | \$ % | \$ | \$ | \$ |
| Non-Operating Revenue | | | | |
| Finance | | 1,700,000 | 750,000 | 750,000 |
| Corporate Funds | | 1,700,000 | 750,000 | 750,000 |
| Operations | | 301,500 | 200,000 | 221,133 |
| Fleet Services | | 301,500 | 200,000 | 221,133 |
| Total Non-Operating Revenue | | 2,001,500 | 950,000 | 971,133 |
| Non-Operating Expense | | | | |
| Finance | | (5,868,000) | (3,850,000) | (3,859,884) |
| Corporate Funds | | (5,868,000) | (3,850,000) | (3,859,884) |
| Total Non-Operating Expense | | (5,868,000) | (3,850,000) | (3,859,884) |
| Non-Cash Items Adjustments | | | | |
| Profit and Loss | | 26,500 | 24,374 | 680,472 |
| Depreciation | | 7,780,500 | 6,986,152 | 8,455,104 |
| Total Non-Cash Items Adjustments | | 7,807,000 | 7,010,526 | 9,135,576 |
| Suspense Items Yet To Be Applied | | | 0 | 367,670 |
| Opening Surplus / (Deficit) | | 6,210,874 | 6,210,874 | 6,210,874 |
| Closing Surplus / (Deficit) | | 0 | 7,081,467 | 15,742,058 |



*Statement of Financial Activity
For the period 1 July 2017 to 31 May 2018*

Graphical Representation





Net Current Funding Position
For the period 1 July 2017 to 31 May 2018

| Particulars | Brought Forward 1 July \$ | 2017-2018 Revised Budget \$ | Year To Date Actual \$ |
|---|------------------------------------|--------------------------------------|---------------------------------|
| Current Assets | | | |
| Cash - Unrestricted | 10,533,455 | 4,080,896 | 17,121,141 |
| Cash - Reserves / Restricted | 24,441,643 | 25,249,343 | 26,093,912 |
| Receivables and Accruals | 4,532,901 | 2,000,000 | 4,311,159 |
| Inventories | 6,978 | 10,000 | 6,978 |
| Land Held for Sale | 0 | 509,104 | 0 |
| | 39,514,977 | 31,849,343 | 47,533,190 |
| Less Current Liabilities | | | |
| Payables and Provisions | (8,862,461) | (6,600,000) | (5,697,221) |
| | (8,862,461) | (6,600,000) | (5,697,221) |
| Net Current Asset Position | 30,652,516 | 25,249,343 | 41,835,970 |
| Less | | | |
| Cash - Reserves / Restricted | (24,441,643) | (25,249,343) | (26,093,912) |
| Estimated Surplus / (Deficiency) Carried Forward | 6,210,873 | - | 15,742,057 |



*Cash and Cash Investments
For the month ended 31 May 2018*

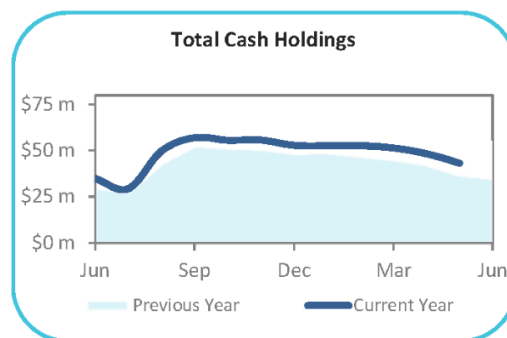
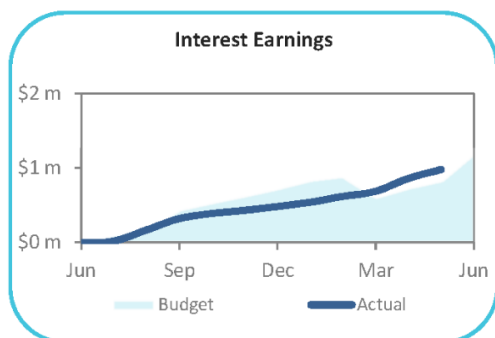
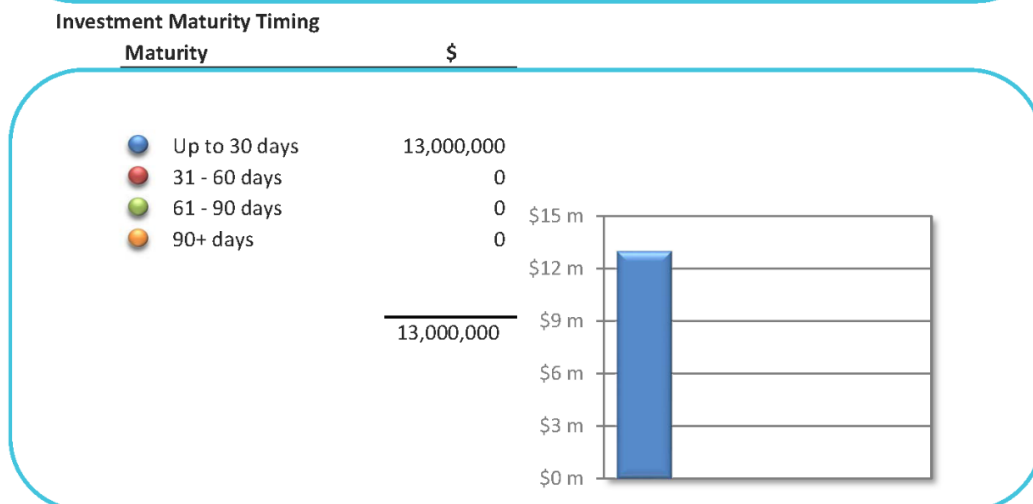
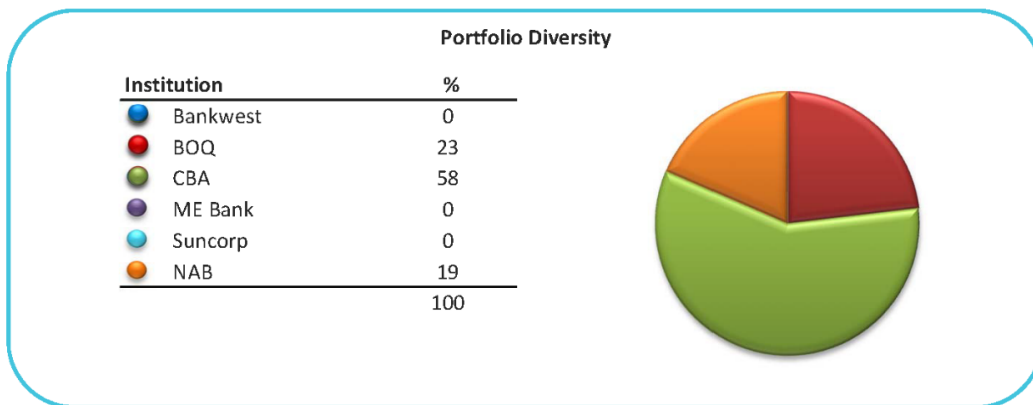
Cash and Investments Analysis

| | Amount Invested \$ | Interest Rate % | Term (Days) | Maturity Date | Projected Earnings \$ | Percentage of Portfolio |
|----------------------------------|-----------------------|--------------------|-------------|---------------|--------------------------|-------------------------|
| Cash - Unrestricted | | | | | | |
| CBA | 15,112,136 | | | | 15,318 | 35% |
| At Call | 15,112,136 | Variable | 11am | Daily | 15,318 | |
| NAB | 2,000,000 | | | | 12,715 | 5% |
| 10520451 | 2,000,000 | 2.55 | 91 | 25-Jun-18 | 12,715 | |
| Total Cash - Unrestricted | 17,112,136 | | | | 28,033 | 40% |
| Cash - Restricted | | | | | | |
| CBA | 10,093,912 | | | | 170 | 23% |
| At Call | 10,093,912 | Variable | 11am | Daily | 170 | |
| NAB | 6,000,000 | | | | 87,703 | 14% |
| 97-887-7369 | 3,000,000 | 2.50 | 334 | 25-Jun-18 | 68,630 | |
| 10520450 | 3,000,000 | 2.55 | 91 | 25-Jun-18 | 19,073 | |
| BOQ | 10,000,000 | | | | 224,129 | 23% |
| 026499 | 7,000,000 | 2.60 | 336 | 27-Jun-18 | 167,540 | |
| 027704 | 3,000,000 | 2.55 | 270 | 26-Jun-18 | 56,589 | |
| Total Cash - Restricted | 26,093,912 | | | | 312,002 | 60% |
| Total Cash - Invested | 43,206,049 | | | | 340,035 | 100% |
| Cash on Hand | 9,005 | | | | | |
| Total Cash | 43,215,054 | | | | | |



Cash and Cash Investments
For the month ended 31 May 2018

Cash and Investments Analysis

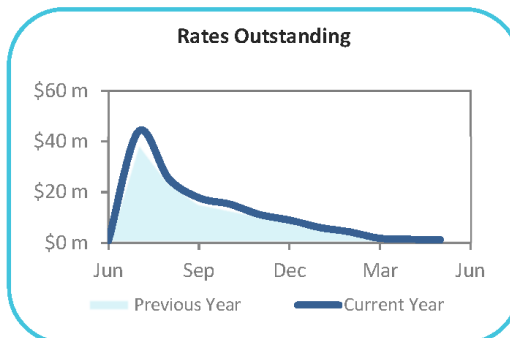




*Receivables (Rates and Sundry Debtors)
For the month ended 31 May 2018*

Rates Outstanding (Not Including Deferrals or Associated Fees and Charges)

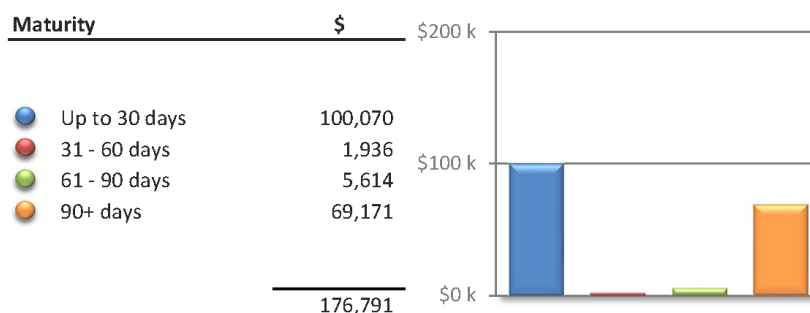
| | |
|----------------------------------|--------------------------|
| | Total |
| Balance from Previous Year | 821,508 |
| Rates Levied - Initial | 0 |
| Rates Levied - Interims | <u>44,267,573</u> |
| Total Rates Collectable | <u>45,089,081</u> |
| Current Rates Collected To Date | 43,862,337 |
| Current Rates Outstanding | <u>1,226,743</u> |
| % Rates Outstanding | 2.7% |



Sundry Debtors

| Type | Total | 30 Days | 60 Days | 90 Days | 90+ Days |
|--|----------------|----------------|--------------|--------------|---------------|
| Grants and Subsidies | 10,923 | 10,923 | - | - | - |
| Property Rent | 64,138 | 15,635 | - | - | 48,503 |
| Aqualife Fees | 8,661 | 8,556 | 105 | - | - |
| Leisurelife Fees | 14,598 | 12,843 | 869 | - | 886 |
| Community Life Fees | 24,972 | 24,280 | 693 | - | - |
| Health Fees | 2,547 | 80 | 150 | 692 | 1,625 |
| Other Fees and Charges | 37,871 | 21,568 | 120 | - | 16,183 |
| Long Service Leave From Councils | - | - | - | - | - |
| Building and Planning Application Fees | 13,081 | 6,184 | - | 4,922 | 1,975 |
| Total Sundry Debtors | 176,791 | 100,070 | 1,936 | 5,614 | 69,171 |

Sundry Debtor Aged Analysis





*Grants and Contributions
For the month ended 31 May 2018*

Grants and Contributions

| Details | Original | Revised | Receipt Status | |
|---|------------------|------------------|------------------|----------------|
| | Budget | Budget | Invoiced | Remaining |
| | \$ | \$ | | |
| Corporate Funds | | | | |
| Federal Assistance | 750,000 | 350,000 | 349,230 | 770 |
| Federal Local Road | 330,000 | 175,000 | 173,187 | 1,813 |
| Lifelong Learning | | | | |
| Book Council Grants - Local History | 2,000 | 1,000 | - | 1,000 |
| State Government Grants - Lifelong | 2,000 | 2,000 | 2,500 | - |
| State Government Grants - Adult Programs | 2,000 | 1,000 | 1,600 | - |
| Book Council Grants - Young People Services | 3,600 | 2,000 | 715 | 1,285 |
| Neighbourhood Enrichment | | | | |
| Federal Gov Grants Access Inclusion & Seniors | 4,500 | - | - | - |
| Sponsorship Creative Arts | 4,500 | 2,500 | 5,000 | - |
| State Government Grants Cultural Engagement | 20,000 | 2,500 | - | 2,500 |
| State Government Grants Families and Youth | 50,000 | - | - | - |
| Lotterywest Grants Events and Volunteers | 20,000 | - | 14,860 | - |
| Sponsorship Events and Volunteers | 14,000 | 16,000 | 4,950 | 11,050 |
| State Gov Grants Neighbourhood Enrichment | 4,500 | 35,000 | 10,000 | 25,000 |
| State Gov Grants Information and Donations | 4,500 | - | - | - |
| Crime Prevention Grants Safer Neighbourhoods | 20,000 | - | - | - |
| Parks | | | | |
| State Government Grant - Recreational | 200,000 | 200,000 | - | 200,000 |
| Street Operations | | | | |
| MRWA Direct Road Grants | 62,400 | 47,500 | 47,552 | - |
| Street Lighting Subsidy | 1,000 | 31,000 | 30,022 | 978 |
| MRRG Road Rehabilitation Grants | 180,000 | 233,500 | 153,280 | 80,220 |
| MRWA Black Spot Grants | 675,000 | 598,000 | 387,319 | 210,681 |
| MRWA Other Grants | 280,000 | 270,000 | 178,879 | 91,121 |
| Transport Authority Grants | 90,000 | 125,000 | 25,000 | 100,000 |
| Transport Grants | 285,700 | 330,500 | 326,162 | 4,338 |
| State Government Grant | 70,000 | 145,000 | 75,000 | 70,000 |
| Total Cash Deposits | 3,075,700 | 2,567,500 | 1,785,256 | 800,756 |



Reserve Funds Descriptions

The purposes for which funds have been set aside by Council, in Reserve Funds, are outlined below -

Building Renewal

To be used to fund renewal projects associated with Council's Building assets.

Community Art

To be used to fund the purchase and placement of art for the Council and Community.

Drainage Renewal

To be used to fund renewal projects associated with Council's Drainage infrastructure.

Edward Millen Site

To be used to assist in improving and / or maintaining the Edward Millen site, including the associated grounds.

Furniture and Equipment Renewal

To be used to fund renewal projects associated with Council's Furniture and Equipment assets.

Future Fund

To assist in funding projects and property purchases that diversify Council's revenue streams.

Future Projects

To assist in funding 'new' and 'upgrade' capital projects, with funding primarily derived from the sale of land assets.

Harold Hawthorne - Carlisle Memorial

To be used to provide funds to assist in conducting future Spring Garden Competitions.

Information Technology Renewal

To be used to fund renewal projects associated with Council's information technology assets.

Insurance Risk Reserve

To be used for the purpose of meeting the difference between premiums and claims in the event of any significant insurance claims.

Other Infrastructure Renewal

To be used to fund renewal projects associated with Council's Other infrastructure.

Parks Renewal

To be used to fund renewal projects associated with Council's Parks infrastructure.

Pathways Renewal

To be used to fund renewal projects associated with Council's Pathways infrastructure

Plant and Machinery Renewal

To be used to assist in the acquisition and replacement of the Town's Plant and Machinery.



*Reserve Funds
For the month ended 31 May 2018*

Renewable Energy

To assist in investigating and funding renewable energy projects within the District.

Roads Renewal

To be used to fund renewal projects associated with Council's Roads Infrastructure

Underground Power

To assist in the funding of projects associated with the installation of underground power and associated landscaping.

Waste Management

To assist in the funding of waste management and waste minimisation strategies



Reserve Funds
For the month ended 31 May 2018

Reserve Funds Transactions

| | Annual Opening Balance \$ | Transfer to Reserve \$ | Transfer from Reserve \$ | 31 May 2018 | | Annual Revised Budget \$ |
|-----------------------------|------------------------------------|---------------------------------|-----------------------------------|-------------------------|-------------------------|-----------------------------------|
| | | | | Balance Actual \$ | Balance Budget \$ | |
| Building Renewal | 400,466 | 1,735 | - | 402,201 | 400,466 | 418,266 |
| Community Art | 641,043 | 2,778 | - | 643,821 | 641,043 | 690,043 |
| Drainage Renewal | 172,720 | 747 | - | 173,467 | 172,720 | 225,920 |
| Edward Millen Site | 1,356,878 | 5,878 | - | 1,362,756 | 1,356,878 | 1,458,678 |
| Furniture and Equip Renewa | 558,907 | 2,422 | - | 561,329 | 558,907 | 599,907 |
| Future Fund | 12,332,193 | 803,433 | - | 13,135,626 | 12,332,193 | 13,658,793 |
| Future Projects | 1,798,878 | 7,794 | - | 1,806,672 | 1,798,878 | 450,178 |
| Harold Hawthorn - Carlisle | 126,430 | 548 | - | 126,978 | 126,430 | 148,630 |
| Information Technology Ren | 358,400 | 1,552 | - | 359,952 | 358,400 | 665,400 |
| Insurance Risk Reserve | 367,830 | 1,594 | - | 369,424 | 367,830 | 397,230 |
| Land Asset Optimisation | - | 796,370 | - | 796,370 | - | 397,230 |
| Other Infrastructure Renewa | 574,443 | 2,488 | - | 576,931 | 574,443 | 615,443 |
| Parks Renewal | 261,025 | 1,132 | - | 262,157 | 261,025 | 46,225 |
| Pathways Renewal | 367,397 | 1,593 | - | 368,990 | 367,397 | 420,397 |
| Plant and Machinery | 235,342 | 1,020 | - | 236,362 | 235,342 | 269,342 |
| Renewable Energy | 220,980 | 957 | - | 221,937 | 220,980 | 75,380 |
| Roads Renewal | 788,737 | 3,417 | - | 792,154 | 788,737 | 882,337 |
| Underground Power | 2,962,799 | 12,837 | - | 2,975,636 | 2,962,799 | 3,241,999 |
| Waste Management | 917,175 | 3,974 | - | 921,149 | 917,175 | 985,175 |
| | 24,441,643 | 1,652,270 | - | 26,093,913 | 24,441,643 | 25,646,573 |



Capital Items

The following pages summarise the progress of the Capital Items.

For the purposes of these pages, the following indicators have been used -

Item Timing

This relates to how the item is tracking time-wise and is displayed using the following indicators -

- Behind
- On-Track
- In-Front

Budget Status

This relates to how the item is costing against the Revised Budget and is displayed using the following indicators -

- Over budget
- On budget
- Under budget

Completion Stage

This relates to where the item is currently, in terms of completion, and is displayed using the following indicators -

- Not commenced
- Commenced
- Half-way completed
- Nearing completion
- Completed



*Capital Items Progress
For the month ended 31 May 2018*

Capital Items

| Particulars | Budget Status | Completion Stage | Revised Budget \$ | Year-to-Date Actual \$ |
|--|---------------|------------------|-------------------|------------------------|
| Buildings | | | 3,457,500 | 1,882,195 |
| New - Buildings | | | | |
| Aqualife - Energy Efficiency Initiatives | □ | ■ ■ ■ □ | 100,000 | 79,720 |
| Leisurelife - Energy Efficiency Initiatives | □ | ■ ■ ■ □ | 100,000 | 35,902 |
| Community Facility - Zone 6 - Lathlain Precinct | □ | ■ ■ ■ □ | 30,000 | 8,707 |
| Upgrade - Buildings | | | | |
| Administration Centre - Security Card Entry Control | ☒ | ■ ■ ■ ■ | 60,000 | 73,926 |
| Lifelong Learning - Library Entrance Upgrade | □ | □ □ □ □ | 95,000 | 0 |
| Leisurelife - Emergency Management Switchboard | □ | ■ ■ ■ ■ | 5,000 | 0 |
| Administration Centre - Accessibility | □ | ■ ■ □ □ | 70,000 | 18,978 |
| Leisurelife - Reception and Cafe Area | □ | ■ ■ ■ ■ | 20,000 | 10,745 |
| Police and Citizens Youth Centre - Switchboard | □ | ■ ■ ■ ■ | 15,000 | 11,691 |
| Upgrade Lot 61 Lathlain Place - Zone 8 - Lathlain Precinct | □ | ■ ■ ■ ■ | 3,000 | 1,000 |
| Renewal - Buildings | | | | |
| Aqualife Centre - Pool Deck Floor (Stage 1) | □ | ■ ■ ■ ■ | 140,000 | 131,670 |
| Air Conditioning System - Council Administration | □ | ■ ■ ■ ■ | 810,000 | 798,521 |
| Shepperton Road Underpass - Retiling | ☒ | ■ ■ ■ ■ | 18,000 | 18,040 |
| Aqualife Centre - Renew Leisure Pool - Water feature | □ | ■ ■ ■ ■ | 36,000 | 35,950 |
| Aqualife Centre - Replacement of Boilers | ☒ | ■ ■ ■ ■ | 97,500 | 99,246 |
| Aqualife Centre - Renew Spa Plant Room, Filter and Pipe | □ | ■ ■ ■ ■ | 17,000 | 0 |
| Aqualife Centre - Tiling of 50m Swimming Pool | □ | ■ ■ ■ ■ | 16,000 | 2,738 |
| Aqualife Centre - Renewal Circulation and Chemical Pump | ☒ | ■ ■ ■ ■ | 5,000 | 7,897 |
| 6 Kent Street - Accessibility and Internal Renewal | □ | ■ □ □ □ | 230,000 | 7,153 |
| 8 Kent Street - Accessibility and Internal Renewal | □ | ■ □ □ □ | 200,000 | 6,370 |
| Administration Centre - Fire Panel Replacement | □ | ■ ■ □ □ | 65,000 | 27,011 |
| Aqualife Centre - Chemical Shed | ☒ | ■ ■ ■ ■ | 20,000 | 20,245 |
| Aqualife Centre - Window Tinting | □ | ■ ■ ■ ■ | 8,000 | 7,825 |
| Archer Street Toilets - LED Lighting | □ | ■ ■ ■ ■ | 2,000 | 1,144 |
| Balbuk Reserve Toilets - LED Lighting | □ | ■ ■ ■ ■ | 2,000 | 0 |
| Carlisle Reserve Clubrooms - Flooring Replacement | □ | ■ ■ ■ ■ | 19,000 | 18,010 |
| Depot Rear Shed - Roof and Cladding Replacement | □ | ■ ■ ■ □ | 180,000 | 45,463 |
| GO Edwards Park Toilets (1) - LED Lighting | □ | ■ ■ ■ ■ | 2,000 | 1,685 |
| GO Edwards Park Toilets (2) - LED Lighting | □ | ■ ■ ■ ■ | 2,000 | 1,796 |
| Higgins Park Tennis Club - Kitchen | □ | ■ ■ □ □ | 40,000 | 0 |
| Hubert Street Carpark Toilets - LED Lighting | □ | ■ ■ ■ ■ | 2,000 | 1,444 |
| John Macmillan Park Toilets - Lighting and accessibility | □ | ■ □ □ □ | 125,000 | 4,755 |
| Leisurelife - Commercial Kitchen Flooring | □ | ■ ■ ■ ■ | 8,000 | 7,862 |



Capital Items Progress
For the month ended 31 May 2018

Capital Items

| Particulars | Budget Status | Completion Stage | Revised Budget \$ | Year-to-Date Actual \$ |
|---|---------------|------------------|-------------------|------------------------|
| Renewal - Buildings (continued) | | | | |
| Leisurelife - Court Flooring | ☐ | ■ ■ ■ ■ | 95,000 | 63,049 |
| Leisurelife - Courts Lighting | ☐ | ■ ■ ■ ■ | 28,000 | 25,097 |
| Leisurelife - Emergency Exit Doors | ☐ | ■ ■ ■ ■ | 24,000 | 18,700 |
| Leisurelife - Entrance and Signage Renewal | ☒ | ■ ■ ■ ■ | 25,000 | 25,798 |
| Leisurelife - Gym Flooring | ☐ | ■ ■ ■ ■ | 65,000 | 53,915 |
| Leisurelife - Roofing | ☐ | ■ ■ ■ ■ | 9,000 | 8,225 |
| Leisurelife - Squash Courts (3 and 4) | ☐ | ■ ■ ■ ■ | 65,000 | 58,180 |
| Leisurelife - Toilets and Change Rooms | ☐ | ■ ■ ☐ ☐ | 170,000 | 8,072 |
| Library - Facility Lighting | ☐ | ■ ■ ■ ■ | 50,000 | 44,665 |
| Library - Fire Panel Replacement | ☐ | ■ ■ ■ ☐ | 35,000 | 18,777 |
| Library - Public Area Carpets | ☐ | ■ ☐ ☐ ☐ | 100,000 | 13,820 |
| McCallum Park Toilets - LED Lighting | ☐ | ■ ■ ■ ■ | 2,000 | 0 |
| Read Park Toilets - LED Lighting | ☐ | ■ ■ ■ ■ | 2,000 | 1,519 |
| Taylor Street Reserve Toilets | ☐ | ■ ☐ ☐ ☐ | 190,000 | 4,393 |
| Victoria Park Carlisle Bowling Club - Toilets | ☐ | ■ ■ ■ ■ | 55,000 | 52,492 |

Plant and Machinery **1,019,200** **729,829**

New

| | | | | |
|--|---|---------|--------|--------|
| Plant - Electric Bikes | ☐ | ■ ■ ■ ☐ | 17,200 | 6,336 |
| Plant - Street Operations - High Pressure Cleaner and Trai | ☐ | ■ ■ ■ ■ | 12,000 | 11,694 |

Renewal - Plant and Machinery

| | | | | |
|--|---|---------|---------|---------|
| Purchase Major Plant - Light Truck Parks (160VPK - Plant | ☐ | ■ ■ ■ ■ | 103,500 | 103,216 |
| Purchase Major Plant - Mower Slasher Parks (147VPK Pla | ☐ | ■ ■ ■ ■ | 28,000 | 27,974 |
| Purchase Major Plant - Mowing Trailer Parks (158VPK - Pl | ☐ | ■ ■ ■ ■ | 24,000 | 23,940 |
| Minor Plant Renewal - Low Value Pool - Parks | ☐ | ■ ■ ■ ☐ | 11,000 | 4,817 |
| Minor Plant Renewal - Street Improvement | ☐ | ■ ■ ■ ■ | 10,500 | 9,353 |
| Minor Plant Renewal - Workshop Pressor (Replacing CVR: | ☐ | ■ ■ ■ ☐ | 10,000 | 0 |
| Fleet - Aqualife - 1EMT367 (Plant 365) | ☐ | ■ ■ ■ ■ | 22,500 | 22,241 |
| Fleet - Asset Management - 179VPK (Plant 385) | ☐ | ■ ■ ■ ■ | 25,000 | 24,986 |
| Fleet - Building Services - 113VPK (Plant 368) | ☐ | ■ ■ ■ ■ | 22,500 | 22,448 |
| Fleet - Business Life Administration - 106VPK (Plant 369) | ☐ | ■ ■ ■ ■ | 33,000 | 32,736 |
| Fleet - Community Life Administration - 110VPK (Plant 371) | ☐ | ■ ■ ■ ■ | 32,000 | 31,188 |
| Fleet - Community Life Administration - 166VPK (Plant 379) | ☐ | ■ ■ ■ ☐ | 35,000 | 31,118 |
| Fleet - Environmental Health - 116VPK (Plant 372) | ☐ | ■ ■ ■ ■ | 21,000 | 20,838 |
| Fleet - Leisurelife - 112VPK (Plant 364) | ☐ | ■ ■ ■ ■ | 22,000 | 21,947 |
| Fleet - Lifelong Learning - 164VPK (Plant 386) | ☒ | ■ ■ ■ ■ | 25,000 | 25,352 |
| Fleet - Ranger Services - 183VPK (Plant 366) | ☐ | ■ ■ ■ ☐ | 40,000 | 25,151 |
| Fleet - Renew Life Administration - 111VPK (Plant 360) | ☐ | ■ ■ ■ ■ | 35,000 | 183 |
| Fleet - Street Improvement - 128VPK (Plant 384) | ☐ | ■ ■ ■ ■ | 25,000 | 25,000 |
| Fleet - Urban Planning - 108VPK (Plant 377) | ☐ | ■ ■ ■ ■ | 25,000 | 24,911 |



Capital Items Progress
For the month ended 31 May 2018

Capital Items

| Particulars | Budget Status | Completion Stage | Revised Budget \$ | Year-to-Date Actual \$ |
|---|---------------|------------------|-------------------|------------------------|
| Renewal - Plant and Machinery (continued) | | | | |
| Plant - Street Operations - High Pressure Cleaner (239) | ☐ | ■ ■ ■ ■ | 5,000 | 4,413 |
| Plant - Street Operations - High Pressure Cleaner (332) | ☐ | ■ ■ ■ ■ | 5,000 | 4,371 |
| Truck - Street Operations - 131VPK (44) | ☐ | ■ ■ ■ ■ | 105,000 | 92,842 |
| Truck - Street Operations - 145VPK (43) | ☐ | ■ ■ ■ □ | 150,000 | 183 |
| Utility (Fleet) - Parks - 130VPK (283) | ☐ | ■ ■ ■ ■ | 40,000 | 36,988 |
| Utility (Fleet) - Parks - 148VPK (329) | ☒ | ■ ■ ■ ■ | 30,000 | 32,904 |
| Utility (Fleet) - Street Operations - 135VPK (287) | ☐ | ■ ■ ■ ■ | 30,000 | 29,168 |
| Utility (Fleet) - Street Operations - 141VPK (296) | ☐ | ■ ■ □ □ | 45,000 | 0 |
| Utility (Fleet) - Street Operations - 144VPK (297) | ☒ | ■ ■ ■ ■ | 30,000 | 33,530 |

| | | | | |
|--------------------------------|--|--|----------------|----------------|
| Furniture and Equipment | | | 296,000 | 121,046 |
|--------------------------------|--|--|----------------|----------------|

New - Furniture and Equipment

| | | | | |
|---|---|---------|--------|-------|
| Licence Plate recognition devices and equipment - Parking | ☐ | ■ ■ □ □ | 9,000 | 0 |
| Hardware, software and cabling - Parking Initiative | ☐ | □ □ □ □ | 23,000 | 0 |
| Edward Millen - Low Value Pool | ☐ | ■ ■ ■ ■ | 6,500 | 6,486 |
| VICPARK LED - Illuminated Lights | ☐ | ■ ■ ■ ■ | 4,500 | 4,300 |

Renewal - Furniture and Equipment

| | | | | |
|--|---|---------|--------|--------|
| Renew Furniture & Equipment - Depot - Low Value Pool | ☐ | ■ ■ ■ □ | 6,000 | 2,270 |
| Renew Minor Plant - Bins | ☐ | ■ ■ □ □ | 11,000 | 0 |
| Renew Furniture - Administration Centre - Low Value Pool | ☐ | ■ ■ ■ □ | 22,000 | 16,260 |
| Parking Management Office - Office Furniture | ☐ | ■ □ □ □ | 5,000 | 0 |
| Renew Furniture & Equipment - Aqualife - Low Value Pool | ☐ | ■ ■ ■ □ | 10,000 | 6,109 |
| Renewal - Furniture & Equipment - Aqualife Cafe | ☐ | ■ ■ ■ □ | 5,000 | 0 |
| Renewal - Equipment - Aqualife - Pool Scrubber | ☒ | ■ ■ ■ ■ | 8,000 | 8,091 |
| Aqualife - Crèche Furniture | ☐ | ■ ■ ■ □ | 4,000 | 0 |
| Aqualife - Gymnasium Equipment (Assorted) | ☐ | ■ ■ □ □ | 20,000 | 8,868 |
| Aqualife - Pool Equipment | ☐ | ■ ■ ■ □ | 40,000 | 23,462 |
| Renewal - Equipment - Leisurelife- Gym Equipment | ☐ | ■ ■ ■ □ | 20,000 | 5,059 |
| Leisurelife - Court Floor Cleaner | ☐ | ■ ■ ■ ■ | 20,000 | 17,146 |
| Leisurelife - Bingo Furniture | ☐ | ■ ■ ■ ■ | 7,000 | 6,889 |
| Leisurelife - Sports Equipment | ☐ | ■ ■ ■ □ | 23,000 | 4,861 |
| Renewal - Furniture & Equipment - Leisurelife Cafe | ☐ | ■ ■ ■ □ | 5,000 | 2,944 |
| Renew Furniture & Equipment - Leisurelife - Low Value Po | ☐ | ■ ■ ■ □ | 15,000 | 4,433 |
| Renew Furniture & Equipment - Lifelong Learning - Low Va | ☐ | ■ ■ ■ □ | 15,000 | 650 |
| Renew Furniture & Equipment - Digital Hub - Low Value Pc | ☒ | ■ ■ ■ ■ | 2,000 | 3,218 |
| TAPP - Aqualife - Access and Inclusion Pool Hoist | ☐ | ■ ■ ■ □ | 12,000 | 0 |
| TAPP - Aqualife - Disability Floatation devices | ☐ | ■ ■ ■ □ | 3,000 | 0 |



Capital Items Progress
For the month ended 31 May 2018

Capital Items

| Particulars | Budget Status | Completion Stage | Revised Budget \$ | Year-to-Date Actual \$ |
|---|---------------|------------------|-------------------|------------------------|
| Information Technology | | | 945,000 | 292,135 |
| New - Information Technology | | | | |
| TAPP - Lighten Up - Mobile App Software | □ | ■ ■ □ □ | 5,000 | 0 |
| Library - RFID Self-Service System | □ | ■ □ □ □ | 90,000 | 0 |
| New - Software - Mobile Health | □ | □ □ □ □ | 100,000 | 0 |
| New - Software - Client engagement | ☒ | ■ ■ ■ ■ | 8,000 | 13,235 |
| New - Noise Monitoring Device - Environmental Health | ☒ | ■ ■ ■ □ | 25,000 | 27,874 |
| Handheld Enforcement devices and associated equipment | □ | ■ ■ □ □ | 12,000 | 0 |
| Renewal - Information Technology | | | | |
| Hardware - Mobile Computing Devices | □ | ■ ■ ■ ■ | 65,000 | 64,176 |
| Network - Wi-Fi Network | □ | ■ ■ ■ ■ | 47,000 | 46,991 |
| Systems - Website, Intranet and Client Portal | □ | ■ □ □ □ | 85,000 | 0 |
| Renewal - Information Technology | | | | |
| Depot Communications System (Hardware) | □ | ■ ■ ■ ■ | 5,000 | 4,997 |
| Network Storage (Hardware) | □ | ■ ■ ■ ■ | 38,000 | 37,033 |
| Bookings Management System (Software) | □ | ■ □ □ □ | 50,000 | 0 |
| Development Application System (Software) | □ | ■ ■ □ □ | 110,000 | 43,660 |
| Email Archival System (Software) | □ | ■ ■ ■ □ | 30,000 | 29,728 |
| Leisure Facilities Management System (Software) | □ | ■ □ □ □ | 95,000 | 0 |
| Library Management System (Software) | □ | ■ ■ □ □ | 95,000 | 0 |
| Records Management System (Software) | □ | □ □ □ □ | 60,000 | 0 |
| System Security (Software) | □ | ■ ■ ■ ■ | 25,000 | 24,440 |
| Roads | | | 3,744,500 | 2,387,582 |
| New - Roads | | | | |
| New - Albany Highway - Pedestrian Crossing Safety Measure | ☒ | ■ ■ ■ ■ | 43,500 | 48,914 |
| New - Alday Street - Lane Channelisation | □ | ■ ■ ■ ■ | 68,000 | 67,609 |
| New - Enfield Street - Traffic Calming | □ | ■ ■ ■ ■ | 89,000 | 85,186 |
| Gallipoli Street - Egham Road to Enfield Street - Traffic Calming | □ | ■ ■ □ □ | 25,000 | 1,820 |
| Gallipoli Street - Egham Road to Howick Street - Traffic Calming | □ | ■ ■ □ □ | 25,000 | 1,820 |
| Goddard Street - Egham Road to Howick Street - Traffic Calming | □ | ■ ■ □ □ | 25,000 | 1,000 |
| Goddard Street - Midgley Street to Cookham Road - Traffic Calming | □ | ■ ■ □ □ | 25,000 | 1,000 |
| Hill View Terrace - Cycle Lane Extension and Ramps | □ | ■ ■ □ □ | 15,000 | 0 |
| McCartney Crescent - Goddard Street to Roberts Road - Traffic Calming | □ | ■ ■ □ □ | 60,000 | 8,104 |
| Saleham Street - Goddard Street to Gallipoli Street - Traffic Calming | □ | ■ ■ □ □ | 55,000 | 2,116 |
| Star Street - Intersection Safety Works at Briggs Street | □ | ■ ■ ■ ■ | 15,000 | 6,268 |



Capital Items Progress
For the month ended 31 May 2018

Capital Items

| Particulars | Budget Status | Completion Stage | Revised Budget \$ | Year-to-Date Actual \$ |
|--|---------------|------------------|-------------------|------------------------|
| Renewal - Roads | | | | |
| Albany Highway - Duncan Street to Teddington Road | ☒ | ■ ■ ■ □ | 330,000 | 340,635 |
| Asteroid Way - Star Street to Mercury Street | ☒ | ■ ■ ■ ■ | 120,000 | 120,272 |
| Bank Street - Oats Street to Milford Street | ☒ | ■ ■ ■ ■ | 86,000 | 91,436 |
| Berwick Street - Sussex Street to Basinghall Street | ☒ | ■ ■ ■ ■ | 150,000 | 162,048 |
| Bishopsgate Street - Oats Street to Mercury Street | □ | ■ ■ ■ ■ | 49,000 | 48,880 |
| Bolton Avenue - Glenn Place to Path (Northbound) | □ | ■ ■ ■ □ | 151,500 | 6,405 |
| Bolton Avenue - Glenn Place to Path (Southbound) | □ | ■ ■ ■ □ | 104,000 | 116 |
| Cookham Street - Gallipoli Street to Goddard Street | □ | ■ ■ ■ ■ | 112,000 | 111,815 |
| Goddard Street - Saleham Street to Bishopsgate Street | □ | ■ ■ ■ ■ | 103,000 | 102,425 |
| Raleigh Street - Mercury Street to Lion Street | □ | ■ ■ ■ ■ | 130,000 | 113,069 |
| Somerset Street - Shepperton Road to Bank Street | ☒ | ■ ■ ■ □ | 200,000 | 249,641 |
| Swansea Street (West) - Dane Street to Cul-de-sac | ☒ | ■ ■ ■ ■ | 178,000 | 178,876 |
| Upgrade - Roads | | | | |
| Upgrade Hillview & Berwick Intersection Stage 2 | □ | ■ ■ ■ □ | 18,000 | 1,177 |
| Upgrade - McCartney Crescent | □ | ■ ■ □ □ | 22,500 | 0 |
| Traffic Management Initiative - Shepperton Rd and Gresha | □ | ■ ■ ■ ■ | 243,000 | 210,043 |
| Traffic Management Initiative - Teddington St and Burswo | □ | ■ ■ ■ □ | 204,000 | 190,887 |
| Upgrade - Bishopsgate and Roberts Road - Pre Deflection: | □ | ■ ■ ■ ■ | 9,000 | 6,006 |
| Upgrade - Oats Street and Star Street - Pre Deflections | ☒ | ■ ■ ■ ■ | 3,500 | 3,634 |
| Upgrade - Temple Street and Hordern Street - Traffic Islan | □ | ■ ■ ■ ■ | 500 | 360 |
| Hill View Terrace and Oats Street - Intersection | □ | ■ □ □ □ | 180,000 | 9,875 |
| Roberts Road and Orrong Road - Intersection | □ | ■ □ □ □ | 220,000 | 0 |
| Rutland Avenue - Oats Street to Welshpool Road | □ | ■ ■ □ □ | 450,000 | 464 |
| Temple Street and Hordern Street - Intersection | □ | ■ ■ ■ ■ | 135,000 | 133,613 |
| Upgrade - Great Eastern Highway and Craig Street - Inters | □ | ■ ■ ■ ■ | 100,000 | 82,066 |
| Drainage | | | 552,000 | 262,208 |
| New - Drainage | | | | |
| Drainage - Carnarvon Street | □ | ■ ■ ■ ■ | 63,000 | 62,294 |
| Drainage - Harris Street and Appleton Street - Stage 1 | □ | ■ ■ ■ □ | 64,500 | 17,786 |
| Drainage - Northampton Street | □ | ■ ■ ■ □ | 50,000 | 36,548 |
| Lake View Terrace Drainage - To be constructed as part of | □ | ■ ■ □ □ | 20,000 | 0 |
| Renewal - Drainage | | | | |
| Intersection Improvements - Hillview Terrace | □ | ■ ■ ■ □ | 87,500 | 12,887 |
| Right Of Ways - Various Locations | □ | ■ ■ ■ □ | 45,000 | 14 |
| Pipe Renewal- Various Locations | □ | ■ ■ ■ □ | 45,000 | 21,125 |
| Pit Renewal- Various Locations | □ | ■ ■ ■ □ | 80,000 | 57,227 |
| Sump Renewal- Various Locations | □ | ■ ■ ■ ■ | 37,000 | 36,596 |
| Upgrade | | | | |
| Albany Highway - Hotspot 1 Drainage Master Plan | □ | ■ ■ ■ □ | 60,000 | 17,731 |



*Capital Items Progress
For the month ended 31 May 2018*

Capital Items

| Particulars | Budget Status | Completion Stage | Revised Budget \$ | Year-to-Date Actual \$ |
|--|---------------|------------------|----------------------|---------------------------|
| Pathways | | | 432,500 | 246,638 |
| New - Pathways | | | | |
| Bolton Avenue - Carpark to Main Entrance | ☒ | ■ ■ ■ ■ | 26,000 | 26,180 |
| Brodie Hall Drive - Turner Avenue to Hayman Road | ☐ | ■ ■ ■ ■ | 42,500 | 42,360 |
| Rutland Avenue P2P - Stage 2 | ☐ | ■ ■ ■ ☐ | 20,000 | 448 |
| Rutland Avenue Safe Active Street | ☐ | ■ ■ ■ ☐ | 25,000 | 3,887 |
| Victoria Park Drive - Footpath Extension | ☐ | ■ ■ ☐ ☐ | 50,000 | 0 |
| Renewal - Pathways | | | | |
| Berwick Street - Bush Street to Boundary Road (East) | ☐ | ■ ■ ■ ☐ | 40,000 | 27,380 |
| Berwick Street - Bush Street to Boundary Road (West) | ☐ | ■ ■ ■ ■ | 59,000 | 58,720 |
| Forward Street - Welshpool Road to Swansea Street (East) | ☐ | ■ ■ ■ ■ | 14,000 | 7,378 |
| Pathway - Lathlain Precinct Redevelopment (Zone 2) | ☐ | ☐ ☐ ☐ ☐ | 75,000 | 0 |
| Mars Street - Oats Street to Cohn Street | ☐ | ■ ■ ■ ■ | 24,000 | 23,968 |
| Mint Street - Carnarvon Street to Shepperton Road | ☐ | ■ ■ ■ ■ | 14,000 | 13,800 |
| Oats Street - Hubert Street to Albany Highway | ☐ | ■ ■ ■ ■ | 12,000 | 11,610 |
| Star Street - Briggs Street to President Street | ☐ | ■ ■ ■ ■ | 21,000 | 20,999 |
| Star Street - Cohn Street to Briggs Street | ☐ | ■ ■ ■ ■ | 10,000 | 9,908 |
| Parks | | | 3,786,000 | 781,788 |
| New - Parks | | | | |
| George Street Reserve Revegetation | ☐ | ■ ■ ■ ☐ | 80,000 | 42,113 |
| Park Furniture and Equipment - Burswood Peninsula | ☐ | ■ ■ ■ ☐ | 75,000 | 688 |
| Kensington Bushland - Jirdarup Signage | ☐ | ■ ■ ■ ☐ | 30,000 | 5,459 |
| Manners Reserve - Shade Sails | ☐ | ■ ■ ■ ■ | 25,000 | 16,159 |
| New - Tree Plan- Tree Planting | ☐ | ■ ■ ■ ☐ | 35,000 | 25,081 |
| Renew - Park Lighting - Poles and Floodlighting | ☐ | ■ ■ ■ ■ | 20,000 | 7,500 |
| Lathlain Park - New | ☐ | ■ ☐ ☐ ☐ | 1,500,000 | 31,473 |
| Peninsula to Park - Landscaping | ☐ | ■ ☐ ☐ ☐ | 200,000 | 3,340 |
| Emergency Works - Water Tank installation | ☐ | ■ ■ ■ ■ | 50,000 | 43,950 |
| Renewal - Parks | | | | |
| Fletcher Park - Playground | ☐ | ■ ☐ ☐ ☐ | 60,000 | 0 |
| Fraser Park - Playground | ☐ | ■ ☐ ☐ ☐ | 50,000 | 80 |
| GO Edwards Park - Redevelopment | ☐ | ■ ■ ■ ☐ | 590,000 | 307,638 |
| Harold Rossiter Park - Irrigation | ☒ | ■ ■ ■ ■ | 160,000 | 173,198 |
| Manners Reserve - Furniture | ☐ | ■ ■ ■ ☐ | 5,000 | 0 |
| Park Signage - Various Locations | ☐ | ■ ■ ■ ☐ | 50,000 | 27,342 |
| Renew - McCallum Park (Foreshore River Wall) | ☐ | ■ ☐ ☐ ☐ | 341,000 | 22,719 |
| Renewal - Tree Plan - Tree Planting | ☐ | ■ ■ ■ ☐ | 75,000 | 32,689 |
| Victoria Park Community Centre - Playground | ☐ | ■ ☐ ☐ ☐ | 20,000 | 1,035 |



*Capital Items Progress
For the month ended 31 May 2018*

Capital Items

| Particulars | Budget Status | Completion Stage | Revised Budget \$ | Year-to-Date Actual \$ |
|--|---------------|------------------|-------------------|------------------------|
| Upgrade - Parks | | | | |
| Upgrade - Entry Statements - Landscaping | □ | ■□□□ | 80,000 | 3,011 |
| Upgrade - Higgins Park Tennis Club - Court Modifications | □ | □□□□ | 300,000 | 0 |
| Upgrade - Rayment Park | □ | ■■■■ | 40,000 | 38,312 |
| Other Assets | | | 1,575,000 | 1,041,144 |
| New - Other Assets | | | | |
| New - Lathlain Primary School / Rayment Park Carpark | □ | ■■■■ | 27,500 | 27,433 |
| Car Parks - Harvey Street ACROD bays | □ | ■■■■ | 7,500 | 7,253 |
| New Street Lighting - Purchase and Installation | □ | ■□□□ | 66,000 | 10,432 |
| Purchase and Installation of parking meters | □ | ■□□□ | 75,000 | 0 |
| Signage - Parking Plan Works | □ | ■□□□ | 130,000 | 0 |
| New - Street Furniture - Various Locations | □ | ■■■□ | 35,000 | 30,302 |
| Street Lighting - Safety Improvement at Various Locations | □ | ■□□□ | 25,000 | 5,370 |
| Visual Art | □ | ■■■■ | 20,000 | 16,020 |
| Burswood Peninsula Way Finding - Signs and Line marking | □ | ■□□□ | 50,000 | 0 |
| Renewal - Other Assets | | | | |
| Right of Way 51 | □ | ■■■□ | 500,000 | 476,475 |
| Street Furniture - Bus Shelters at Various Locations | □ | ■■■■ | 47,000 | 46,462 |
| Street Lighting - Albany Highway and Laneways | □ | ■□□□ | 40,000 | 0 |
| Car Parks - Carlisle Reserve | □ | ■■■□ | 100,000 | 72,448 |
| Lighting - St James East Victoria Park - Safer Communities | □ | ■□□□ | 75,000 | 0 |
| Upgrade - Other Assets | | | | |
| Upgrade - Right of Way 31a & 31b | □ | ■■■■ | 23,000 | 22,701 |
| Upgrade - Right of Way 45 | □ | ■■■■ | 14,000 | 13,758 |
| Right of Way 14 - Access Upgrade | □ | ■■■□ | 170,000 | 146,451 |
| Tap and Go - Parking Meter Upgrade | □ | ■■■■ | 130,000 | 128,700 |
| Street Lighting - Community Safety Projects | □ | ■■■■ | 40,000 | 37,339 |
| Land | | | 74,000 | 2,982 |
| Upgrade | | | | |
| Land - Upgrade: 25 Boundary Road Subdivision | □ | ■□□□ | 74,000 | 2,982 |

8.3 Auditor's Interim Audit Report 2017-2018 Financial Year

| | |
|------------------------|----------------|
| File Reference: | FIN/11/0001~09 |
| Appendices: | Yes |
| Attachments: | No |

| | |
|-----------------------------|-----------------|
| Date: | 19 June 2018 |
| Reporting Officer: | A. Thampoe |
| Responsible Officer: | N. Cain |
| Voting Requirement: | Simple Majority |

Executive Summary:

Recommendation – That the Finance and Audit Committee notes the Auditor's Interim Audit Report and recommends to Council to support the management responses to those comments.

- This item presents the matters raised in the Auditor's Interim Report, together with the responses provided by management to those matters.

TABLED ITEMS:

Nil

BACKGROUND:

Each year, as part of Council's audit process, an interim audit is undertaken to ascertain areas of potential review associated with Council's financial systems processes. The advice received through the interim audit is then assessed by management who note the comments and take action as required. The findings of the interim audit, together with responses from management, are now presented for the Finance and Audit Committee's consideration and recommendation to Council.

DETAILS:

As part of Council's committee structure, the Finance and Audit Committee has been established to review areas of an audit or compliance nature. The Auditor's Interim Audit is summarised in the attached report. It is to be noted that the Interim Audit is primarily concerned with a review of internal controls/practices/procedures and management's compliance with those controls. The interim audit reports on an exception basis those items that require management's attention and does not seek to point out all the strong internal controls in place.

Legal Compliance:

Local Government Act 1995 (as amended) and associated regulations
Australian Accounting Standards
International Financial Reporting Standards

Policy Implications:

Nil

Risk Management Considerations:

Two risks have been identified as outlined below.

| Risk & Consequence | Consequence + Rating | Likelihood = Rating | Overall Risk Analysis | Mitigation/Actions |
|---|-----------------------------|----------------------------|------------------------------|---|
| Compliance: Council not accepting auditor recommendation which may leave the Town open to fraud, error or non-compliance | Major | Unlikely | Moderate | Provide reasoning and detailed explanations to Council to enable informed decision making. |
| Financial Impact: Management not implementing auditor recommendations which will lead to poor financial management and control. | Major | Unlikely | Moderate | Identify the Town's tolerance for risk. Ensure auditor recommendations which address risks that are above the identified risk tolerance limit is implemented by management. |

Strategic Plan Implications:

Nil

Financial Implications:Internal Budget:

The budget for all audit services for the Town is \$40,000. The costs to perform the interim audit are within budget constraints.

Total Asset Management:

Nil

Sustainability Assessment:External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

COMMENT:

Matters raised by the auditor, and management's response to each matter, are as follows:

PURCHASES, PAYMENTS AND CREDITORS**1. Matter**

Our review of the outstanding purchase orders listing as at 31 March 2018 revealed that 17 purchase orders were outstanding since July 2016. Our checks revealed that some of these outstanding purchase orders were completed and require cancellation.

Rating: Moderate

Implication:

Such practice may increase the risk of unauthorised purchases being made.

Recommendation:

We request that management review the long outstanding purchase orders and purge unwanted and fulfilled purchase orders from the system. This will ensure that only valid outstanding purchase orders remain in the system.

Management Comment:

Management notes the observations as stated.

An open purchase order review is conducted by the Financial Services section on a monthly basis.

The outstanding purchase orders that were identified at the Interim Audit predominantly relate to standing orders, which are not currently included in the monthly review. Standing orders are generally raised at the commencement of the financial year to accommodate annual items such as cleaning services, tree management services, power, water, gas etc. or where an ongoing and continuing obligation exists (which may occur over multiple years).

Management will review the process in consideration of the recommendation from the auditor.

Responsible Person: Financial Controller

Completion Date: September 2018

2. Matter

During our interim audit, we noted two (2) instances (22 samples tested) where purchase orders had been raised only after the goods and services have been supplied. These instances related to:

- Ticket machine upgrade for Tap & Go – Purchase Order No. 2028021

- Security system upgrade – Purchase Order No. 2028311

Rating: Moderate

Implication:

Such practice may increase the risk of unauthorised purchases being made.

Recommendation:

We request that purchase orders be raised when the goods and services are ordered and not after the goods and services have been received. This will ensure that goods and services have been obtained at the most competitive prices and ensure adherence to Council's purchasing policy.

Management Comment:

Management notes the observations as stated.

In general, purchase orders are raised when the goods and services are ordered and not after receipt. Management will review the appropriateness of employee training on procurement processes so as to minimise such instances in the future. It is unlikely that this issue will ever be fully removed from the organisation and so a risk reduction, rather than risk removal, approach will be taken.

Responsible Person: Financial Controller

Completion Date: September 2018

PAYROLL

3. Matter

The Town's "Human Resources Procedure – HRP038 Annual Leave" and Enterprise Agreement 2016 stipulates that employees may accrue a maximum of 10 weeks (380 hours) of annual leave at any time. During our review of the employee annual leave entitlement balances as at 10 May 2018, we noted that 27 employees with accrued annual leave in excess of 380 hours to a maximum of 837 hours (approximately 22 weeks).

This matter was raised in our previous interim audit management letter dated 9 August 2017. The management response then provided was as follows:

"Management confirms that leave reduction agreements are currently in place for most of the staff who have excess leave. Excess leave is monitored regularly by management in order to ensure agreements are in place to reduce any excess leave balance."

Rating: Moderate

Implication:

Excess annual leave entitlements may have adverse effects on the Town including:

- key staff not being rotated, a preventive control against fraud;
- health and safety concerns with staff members not taking their annual entitlements; and
- increase the Town's costs given salary rises and increments over time.

Recommendation:

We recommend that appropriate steps be taken by the management to manage and minimize the excessive annual leave balances in order to avoid the effects mentioned under implication.

Management Comment

Management notes the observations as stated.

There are currently a number of instances where Leave Reduction Plans are being implemented.

Regular reporting and management review is currently occurring and, over time, this matter will be extinguished.

Responsible Person: Manager Human Resources and Organisational Development
Completion Date: Ongoing

INFORMATION TECHNOLOGY

We discussed with the Information Services Officer about the general information technology controls operating at the Council. Generally, the controls appear to be operating satisfactorily.

However, the following matters were noted and are brought to your attention:

4. Matter

During our review of the IT general and application controls, we noted that passwords are not changed with sufficient regularity to maintain a secure system.

Rating: Significant

Implication:

Lack of such controls can lead to unauthorised access to the Town's accounting system.

Recommendation:

We recommend that the passwords be changed at periodic intervals to prevent the possibility of unauthorised access. Further consideration be given to password controls

such as complexity, length, history, expiry and lock out as complex passwords provide a stronger control over access to the Town's systems, applications and data.

This matter was raised in our previous interim audit management letters dated 26 August 2016 and 9 August 2017. The management response then provided was as follows:

"Management confirms that controls to change computer/system passwords regularly have been reviewed and the Town is currently in the process of implementing this change."

Management Comment:

Management notes the observations as stated.

Changes have now been implemented that meet Australian Signals Directorate and the Australian Cyber Security Centre guidelines and standards.

Responsible Person: Principal ICT Specialist

Completion Date: Complete

5. Matter

During our review, we noted that there is no formal process to review user access rights.

Rating: Significant

Implication:

The lack of control over user access rights could result in significant issues in data integrity of the system.

Recommendation:

We recommend that a formal process be put in place to review user access rights periodically. The user access rights to employees should be granted considering the job description.

Management Comment:

Management notes the observations as stated.

The process to fully resolve the matter identified by the auditor is currently scheduled for completion in the 2019-2020 financial year, which is following a significant programmed upgrade to the organisational core systems. Given the rating (of significant) of the matter noted by the auditor, management will seek to complete a review of user access rights in the 2018-2019 financial year.

Responsible Person: Principal ICT Specialist

Completion Date: September 2018 (interim issue resolution)

RECOMMENDATION/S:

That the Finance and Audit Committee notes and accepts the comments arising from the Auditor's 2017-2018 Interim Audit and recommends Council support the management responses to those comments as contained within the body of this report.

8.4 Review of Wards and Representation 2018

| | |
|------------------------|-------------|
| File Reference: | COR/10/0008 |
| Appendices: | Yes |
| Attachments: | No |

| | |
|-----------------------------|-----------------|
| Date: | 24 May 2018 |
| Reporting Officer: | R. Fishwick |
| Responsible Officer: | A. Vuleta |
| Voting Requirement: | Simple Majority |

Executive Summary:

Recommendation – That the Finance and Audit Committee recommends that Council initiates a review of its ward boundaries and the number of offices of councillor for each ward.

- The *Local Government Act 1995* requires that local governments undertake a review of their wards and representation every eight years.
- Recommended that Council initiates the process to carry out a review of its wards and representation.

TABLED ITEMS:

Nil

BACKGROUND:

Under Schedule 2.2 of the *Local Government Act 1995* (the Act), local governments with wards must conduct regular reviews of ward boundaries and representation in consultation with their communities.

It is obligatory for the Town to conduct the review pursuant to the abovementioned legislation as it is a local government that has a ward system and must therefore carry out reviews of:

- (a) its ward boundaries; and
- (b) the number of offices of councillor for each ward;

from time to time so that not more than eight years elapse between successive reviews. The previous (second) review was completed in 2010 and therefore the Town is now required to conduct a further review.

DETAILS:

The information supplied by the Local Government Advisory Board (the Board) states that the purpose of a review is to assess the current arrangements and to evaluate a range of options to find a system of representation that best suits the characteristics of the district and its people. Any of the following may be considered:

- Creating new wards in a district already divided into wards;
- Changing the boundaries of a ward;
- Abolishing any or all of the wards into which a district is divided;
- Changing the name of a district or a ward;
- Changing the number of offices of councillor on a council; and

- Specifying or changing the number of offices of councillor for a ward.

The Board expects local governments to complete their reviews to allow any changes to be implemented within the eight year period. Local governments may undertake reviews on a more frequent basis if they are experiencing significant changes to their population.

Before conducting the review the Council must resolve to undertake a review of its ward system. Once resolved by Council and before conducting the review, a local government is to give local public notice that a review is to be carried out.

The purpose of the public notice is to inform the community that the Council intends to conduct a review – it should not try to “sell” a particular option.

The notice must advise that submissions may be made to the local government six weeks from the date of the first notice (not including the day of the notice). The closing date for submissions should not be a weekend or public holiday.

It is essential to develop a diverse range of alternatives additional to the current ward system so that all options can be considered. The public notice should also encourage responses and suggestions from the community.

In addition to giving public notice, local governments may undertake other initiatives to promote community discussion including public meetings, website and media articles and interviews, sending information to non-resident electors, ratepayers or progress associations and distributing information to all households. Maps clearly showing the current situation and possible options are essential.

A discussion or information paper should be developed to explain the various options and the five factors (noted below) against which they will be assessed. Instructions on how to access the discussion paper should be included in the public notice.

The local government must consider all submissions it receives and record this in the minutes of its meeting along with any other information considered relevant to the decision making process.

All options must be assessed against the following five factors:

- Community of interest;
- Physical and topographical features;
- Demographic trends;
- Economic factors; and
- The ratio of councillors to electors in the various wards.

These factors should be considered in terms of the whole district prior to assessing the options.

The Board considers that the ratio of councillors to electors is particularly significant. It is expected that each local government will have similar ratios of electors to councillors across its wards, generally falling within a deviation of plus or minus 10%.

The Board may be reluctant to recommend (to the Minister) changes to ward boundaries and representation that result in ward councillor/elector ratios that are greater than plus or minus 10% unless exceptional circumstances apply.

Current situation

Currently the Town of Victoria Park has eight (8) councillors elected from two (2) wards as follows:

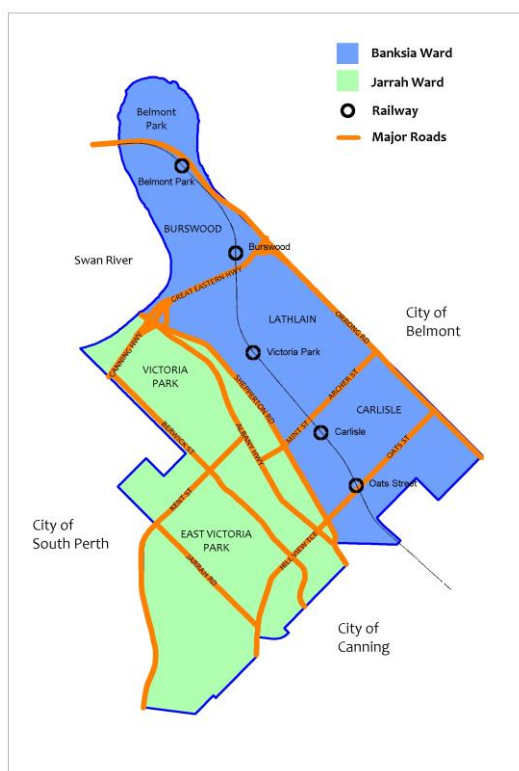
Table 1 - Current Councillor (Cr)/Elector Ratios

| Ward | Number of Electors | Number of Crs | Cr: Elector Ratio | % Ratio Deviation |
|--------------|--------------------|---------------|-------------------|-------------------|
| Banksia | 10,154 * | 4 | 1:2539 | 5.88% |
| Jarrah | 11,423 * | 4 | 1:2856 | -5.88% |
| Total | 21,577 | 8 | 1:2697 | |

The percentage deviation gives a clear indication of the percentage difference between the average councillor/elector ratios for each ward. It can be seen that there is a slight imbalance in representation between the two Wards with Banksia being slightly over represented and Jarrah being slightly under represented having 1,269 more electors than Banksia.

Notwithstanding the above, a balanced representation is considered appropriate where the percentage ratio deviation falls within plus or minus 10%. The percentage ratio deviation is currently 5.88% which is currently accepted as being balanced.

The following map shows the current ward boundaries, the railway and major roads within the Town:



Legal Compliance:

The review of the wards and representation complies with schedule 2.2 of the Act which states;

“6. Local government with wards to review periodically

- (1) *A local government the district of which is divided into wards is to carry out reviews of —*
- (a) *its ward boundaries; and*
 - (b) *the number of offices of councillor for each ward,*
- from time to time so that not more than 8 years elapse between successive reviews.*
- (2) *A local government the district of which is not divided into wards may carry out reviews as to —*
- (a) *whether or not the district should be divided into wards; and*
 - (b) *if so —*
 - (i) *what the ward boundaries should be; and*
 - (ii) *the number of offices of councillor there should be for each ward,*
- from time to time so that not more than 8 years elapse between successive reviews.*
- (3) *A local government is to carry out a review described in subclause (1) or (2) at any time if the Advisory Board requires the local government in writing to do so.*

In accordance with clauses 10 and 11 of schedule 2.2 of the Act, where local governments do not review these matters, the Board may recommend the making of any order in relation to changes. The Board may recover the costs of any inquiries conducted for this purpose from the local government.

Policy Implications:

Nil

Risk Management Considerations:

The risks have been identified as outlined below;

| Risk & Consequence | Consequence + Rating | Likelihood = Rating | Overall Risk Analysis | Mitigation/Actions |
|---|-----------------------------|----------------------------|------------------------------|--|
| Compliance: No noticeable regulatory or statutory impact. | Insignificant | Unlikely | Low | The Town’s current elector representation ratios are within the prescribed deviation of plus or minus 10% for both of its Wards which sit at plus and minus 5.88%. Pursuant to Schedule 2.2 of the <i>Local</i> |

| Risk & Consequence | Consequence + Rating | Likelihood = Rating | Overall Risk Analysis | Mitigation/Actions |
|--------------------|----------------------|---------------------|-----------------------|--|
| | | | | <i>Government Act 1995</i> the Town is obligated to conduct a review of its Wards and Representation which is due this year. |

Strategic Plan Implications:

CL10 Legislative responsibilities are resourced and managed appropriately, diligently and equitably.

Financial Implications:Internal Budget:

Nil

Total Asset Management:

Nil

Sustainability Assessment:External Economic Implications:

Nil

Social Issues:

Nil

Cultural Issues:

Nil

Environmental Issues:

Nil

COMMENT:

Information provided by Board suggests that it is helpful to develop some alternative(s) to the current ward system so that options can be considered in a discussion paper that is made available to the public. Whilst Council may have a preferred option, the discussion paper and particularly the public notice must not limit the possible responses and suggestions to the community.

Such options as a proposal to dispense with wards increase the number of wards could be included in the discussion paper whilst maintaining, increasing or reducing the number of elected members.

In addition a proposal to change the names of the Wards based on geographical location such as North East and South West may be appropriate rather than the current names of Banksia and Jarrah.

To commence the process the Town needs resolve to undertake a review of the ward boundaries and the number of offices of councillor for each ward. In doing so it is also considered that the four options of either:

1. retaining the current ward structure and representation;
2. a no ward structure and the same representation; and
3. changing the ward names and maintaining the same representation;
4. changing the ward boundaries and maintain the same representation;

be presented as a discussion paper that can be disseminated to the public upon request.

CONCLUSION:

It is therefore recommended that the Town resolves to initiate a review of its ward boundaries and the representation of elected members.

ADDITIONAL INFORMATION:

The Finance and Audit Committee requested that the Administration consider appropriate dates when the review process would be undertaken and when a report would presented to Council for consideration.

The process involved and proposed timeline should the Council resolve to initiate the review of its ward boundaries and the number of councillors is as follows:

Review of Wards and Representation - Timeline

| Item | Date | Comments |
|---|--|--|
| Town initiates proposal. | Report to Council meeting 10 July 2018. | Discussion Paper endorsed and Council resolves to invite public submissions (Local Public Notice). |
| Public consultation (invite submissions). | Local Public Notice given from 17 July to 7 September 2018 (ie 52 days). | Must be 6 weeks (42 days) minimum. |
| Submissions and options considered. | Report to Council meeting 9 October 2018 | Determination made on preferred option |
| Review forwarded to Local Government Advisory Board (the Board) | 12 October 2018 | If changes are recommended to the Wards and number of Councillors then these need to be considered by the Board. |

RECOMMENDATION/S:

That the Finance and Audit Committee recommends that the Council recommend, in accordance with clause 7 of Schedule 2.2 of the *Local Government Act 1995*, that the Town initiates a review of its ward boundaries and the number of offices of councillor for each ward and makes available to the public the discussion paper as contained within the Appendices.

9. MEETING CLOSED TO PUBLIC

9.1 Matters for which the meeting may be closed

9.2 Public reading of resolutions that may be made public

10. WORKSHOP TOPICS AND PRESENTATIONS

10.1 Elected Member portal and intranet

The Manager Stakeholder Relations, Ms Carrie Parsons, will provide an update on progress of the Elected Member portal and intranet.

10.2 Review of standing orders

The Principal Governance Advisor, Mr Russell Fishwick, will lead a discussion on the review of the Town's standing orders.

10.3 Review of *Local Government Act 1995*

The Principal Governance Advisor, Mr Russell Fishwick, will provide an update on the review of the *Local Government Act 1995*.

10.4 Capital works progress

The Chief Operations Officer, Mr Ben Killigrew, will lead a discussion on scoping the requirements for capital works progress reporting.

10.5 Revenue Diversification Policy

The Chief Financial Officer, Mr Nathan Cain, will lead a discussion on the development of a Revenue Diversification Policy for the Town.

11. MOTION FOR WHICH PREVIOUS NOTICE HAS BEEN GIVEN

(required 3 ½ business days prior to the meeting, in writing to the CEO.)

12. NEW BUSINESS OF AN URGENT NATURE

13. REQUEST FOR REPORTS FOR FUTURE CONSIDERATION

| Forthcoming agenda items | |
|---|-------------|
| Reports | |
| Monthly financials and schedule of accounts | Every month |
| Workshop topics/presentation | |
| Carbon Offset Program | TBA |
| Review of <i>Local Government Act 1995</i> | Every month |
| Divestment | July 2018 |
| John Mactivation Project concept design and cost estimates | July 2018 |
| Property acquisition | July 2018 |
| Fees and Charges – determination and analysis of the level of application | Dec 2018 |

14. CLOSURE



**DECLARATION OF
FINANCIAL INTEREST / PROXIMITY INTEREST / INTEREST THAT MAY AFFECT
IMPARTIALITY**

**TO: CHIEF EXECUTIVE OFFICER
TOWN OF VICTORIA PARK**

| | |
|----------------------------|---|
| Name & Position | |
| Meeting Date | |
| Item No/Subject | |
| Nature of Interest | Financial Interest* <i>(*Delete where</i> Proximity Interest* <i>not applicable)</i> Interest that may affect impartiality* |
| Extent of Interest | |
| Signature | |
| Date | |

Section 5.65(1) of the Local Government Act 1995 states that:

“A member who has an interest in any matter to be discussed at a Council or Committee meeting that will be attended by that member must disclose the nature of the interest:

- (a) in a written notice given to the CEO before the meeting; or
- (b) at the meeting immediately before the matter is discussed”.

ALTERNATE MOTION / AMENDMENT SUBMISSION



To: HIS WORSHIP THE MAYOR:

Please be advised that I wish to move an ALTERNATE MOTION / AMENDMENT

Name of Elected Member:

Signature:

Date of Submission:

Council Meeting Date:

Item Number:

Item Title:

Alternate Motion / Amendment: *(strike out which is not applicable)*

Note: Motions to Stand Alone

All decisions of the council must be in the form of motions that are clear in their intent and enable a person to understand what has been decided without reference to another motion or information contained in the body of a report.

Reason:

Note: Explanation for changes to Recommendations

Administration Regulation 11 requires the minutes to include written reasons for each decision that is significantly different from the written recommendation. Members must therefore provide a written reason in the space provided above.